KCStat

kcstat.kcmo.org
July 5, 2016
#KCStat

Finance and Governance

Finance and Governance

To strengthen, expand, and make judicious use of Kansas City's economic resources in order to achieve short-term and long-term economic prosperity.

How To Get There: 2016-2021 City Objectives For Finance and Governance

1. Develop and execute a strategy to reauthorize the earnings tax in 2016.

2. Integrate the City's strategic plan, long-term financial plan, and annual budget, and expand resident engagement and priority   based budgeting. (Ongoing)

3. Develop an organizational standard of administrative, governance, and financial core competencies for employees by   employing a combination of classroom and online training. (2017)

4. Make information about the City's performance, operations, and financial condition more transparent, user-friendly,   understandable, and accessible to elected officials and the public. (Ongoing)

5. Maintain and strengthen the City's General Obligation AA credit rating through the Five-Year Financial Plan. (April   2020 and ongoing)

6. Improve safety, reduce risks, and reduce exposure to claims for residents, employees, and visitors by establishing   citywide policies and processes to identify hazards; develop recommendations for abatement by level of risk; and   track completion dates. (May 2016 and ongoing)

7. Identify the largest opportunities for cost savings and efficiencies through operational analyses, managed competition, and   performance indicators. (April 2017 and ongoing)

8. Continue to implement a vehicle and equipment replacement program. (Ongoing)

9. Explore partnerships to expand sharing of public resources across government jurisdictions, such as Core 4. (June 2017)

10. Develop a plan of finance for potential improvements at the Kansas City International Airport. (2016)

11. Develop a comprehensive funding strategy for maintenance and capital improvements in conjunction with the renewal of   the Capital Improvement Sales Tax in 2018 and a $500 million General Obligation Bond authorization in 2016.

2016-2021 Measures of Success

Measures of Success	FY15 Actual	FY16 Target	FY16 Actual	FY17 Target
Percent of citizens satisfied with the value received for tax dollars	41.6%	44%	41%	46%
General Fund unreserved fund balance as a percent of annual operating expenditures	12.29%	16%	n/a	16%
Pension system funding ratio for employee pension system	100%	100%	n/a	100%
Workers' compensation claim frequency rate (per 100 employees)	18	15	15	15
Percent of fleet within lifecycle (General Fund Departments)	48.7%	80%*	53.2%	80%*
Number of open data sessions	156,313	171,945	202,256	189,140
Percent of citizens satisfied with effectiveness of city manager and appointed staff	51%	53%	52%	55%

Source: Citywide Business Plan

*80% is five year target for fleet in lifecycle

Finance and Governance: KCStat Dashboard

Financial Management

41

percent of citizens satisfied with the value received for their tax dollars

❌ needs improvement

Operational Efficiency

10.8M

annual expenditures on workers compensation claims and settlements

👁 measuring

Government Transparency

202,256

Open Data KC Sessions

✅ on track

Detail ❯   Detail ❯   Detail ❯

Source: kcstat.kcmo.org

Financial
Management

41

percent of citizens satisfied
with the value received for
their tax dollars

$ ✕ needs improvement

Detail ›

Financial Management

Objective 1

Develop and execute a strategy to reauthorize the earnings tax in 2016.

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Earnings Tax Approved

○ In the election on April 5, 2016**,** the earnings tax was overwhelmingly approved with **77%** of voters voting **in favor** of continuing the tax for five more years.

○ The next election, assuming no legislative changes in Jefferson City in the next five years, will be in **April 2021**.

○ The City's lobbyists continue to support measures in the state legislature to ensure continuation of the earnings tax.

Objective 2

Integrate the City's strategic plan, long-term financial plan, and annual budget, and expand resident engagement and priority based budgeting.

Business Plan and Budget Process
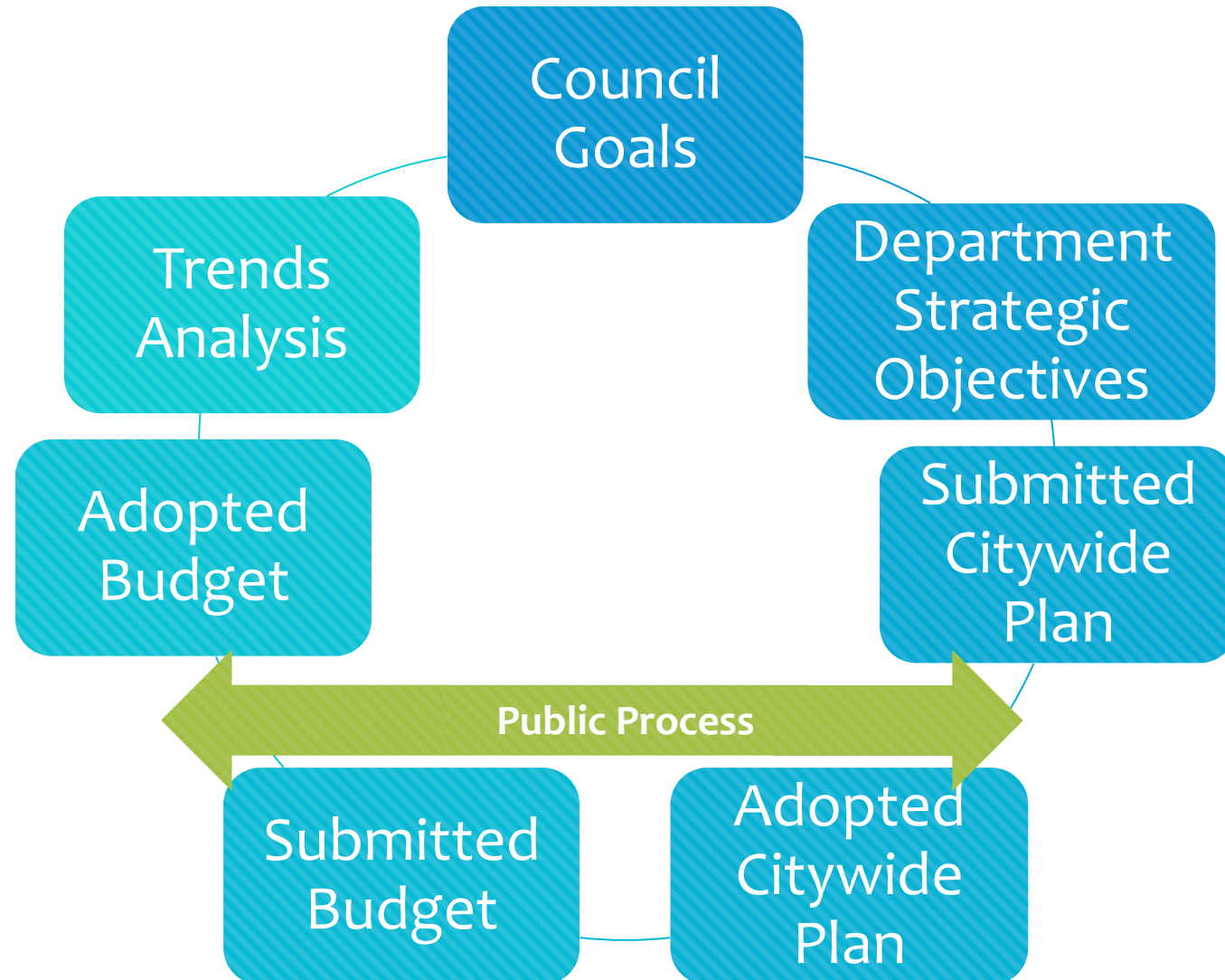
FY2016-17 Budget

The Finance Department coordinated **three Citizen Work Sessions** in Fall 2015 and **three Neighborhood Budget Hearings** in Spring 2016.

Based in part on this feedback, the Adopted Five-Year Financial Plan includes an operating budget increase to **neighborhoods programs** and **infrastructure**.

Changes to **neighborhood programs** in the Adopted Budget included:

increasing dangerous building demolitions	adding code enforcement officers	adding legal investigators	increasing mowing cycles	increasing solid waste collection

The Adopted Budget includes $162.5 million in **capital improvements** including:

$13.7 million for street resurfacing	$850,000 for Bruce R. Watkins Drive	$3 million to Paseo Gateway to match $30 million grant	$2 million for Urban Youth Baseball Academy	$24.2 million to advance shovel-ready projects

Financial Plan Scenario Description: Baseline

- Fire Department operating budget *decrease* to offset equipment debt service *beginning* in FY 2018-2021 **($2.5 million**)

- In Year 4 and 5, identify increased revenues or decreased expenditures to address an anticipated shortfall of **$5.5 million**, including contemplating a possible wage freeze, subject to ongoing labor negotiations and agreements.

- Employer contributions to health insurance increase only **2.5%** in FY 2019-2021

- Transfer of remaining streetlight debt service to capital improvements fund

- Neighborhoods programs operating budget *increase* beginning in FY 2017 to reflect citizen input

Source: Finance Department, Budget Division

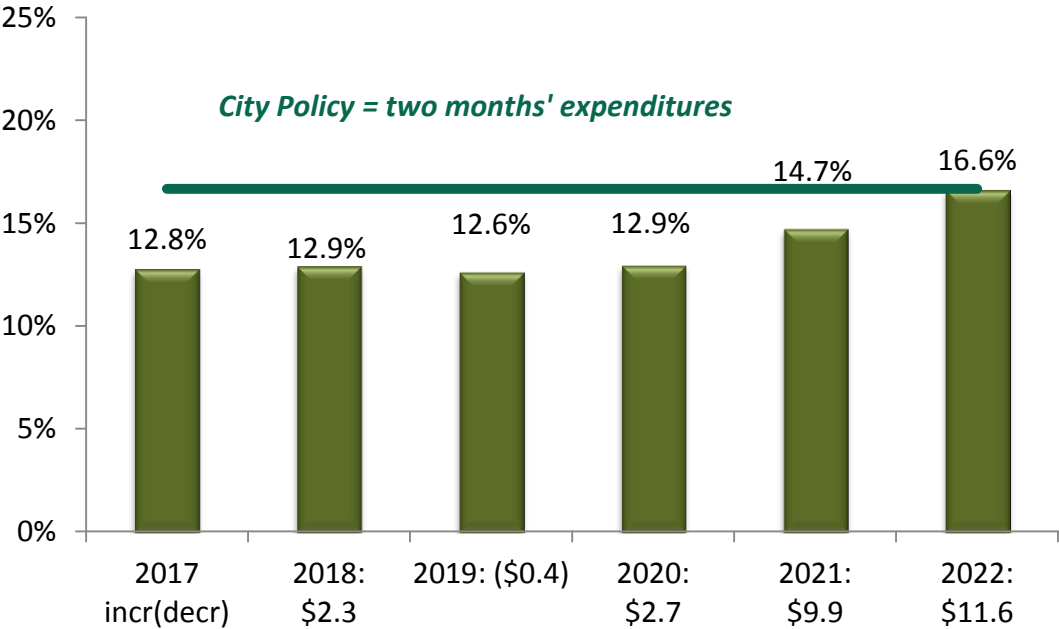# Financial Plan Scenario Description: Baseline

Does Not Include:

- Adopted labor agreements

- Proposed debt service for 18th & Vine Historic District, Linwood Shopping Center and and PeopleSoft (enterprise accounting and human resources system) upgrade

- Ground Emergency Medical Transport (GEMT) Revenue– Recovery of costs associated with providing medical services which includes transportation of medical beneficiaries when the state Medicaid program does not cover the full cost of the service.
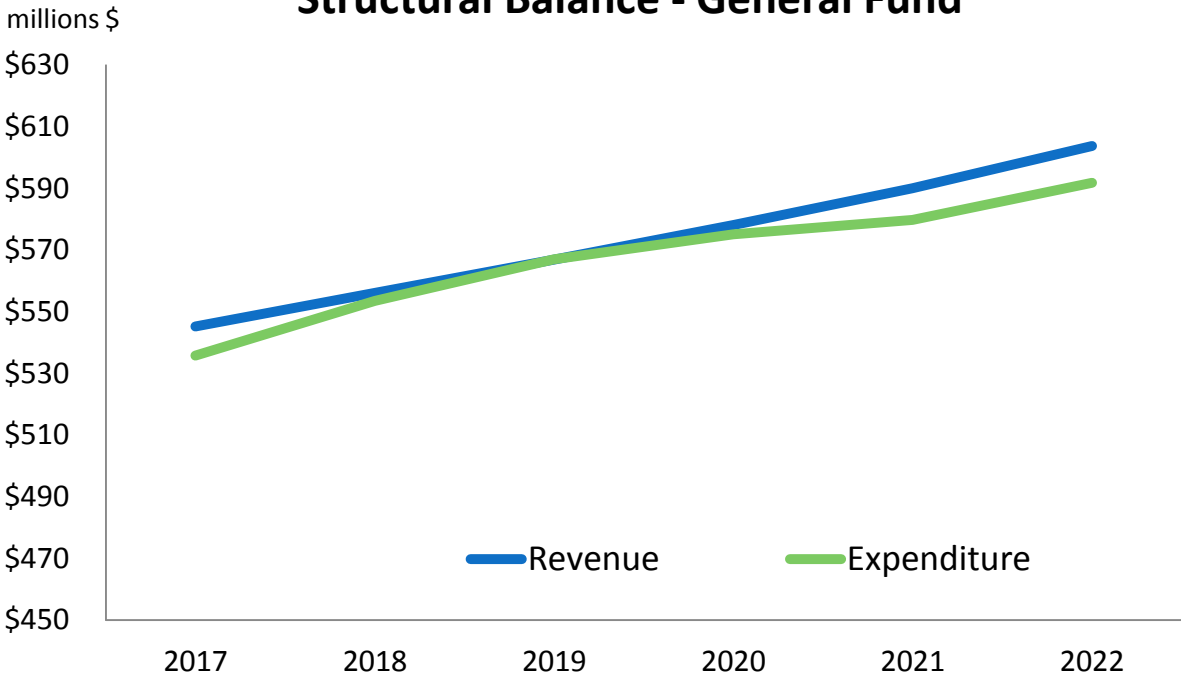
Reserves and Structural Balance (Fiscal Years Ended 2017-2022 Financial Plan)

Reserves - General Fund
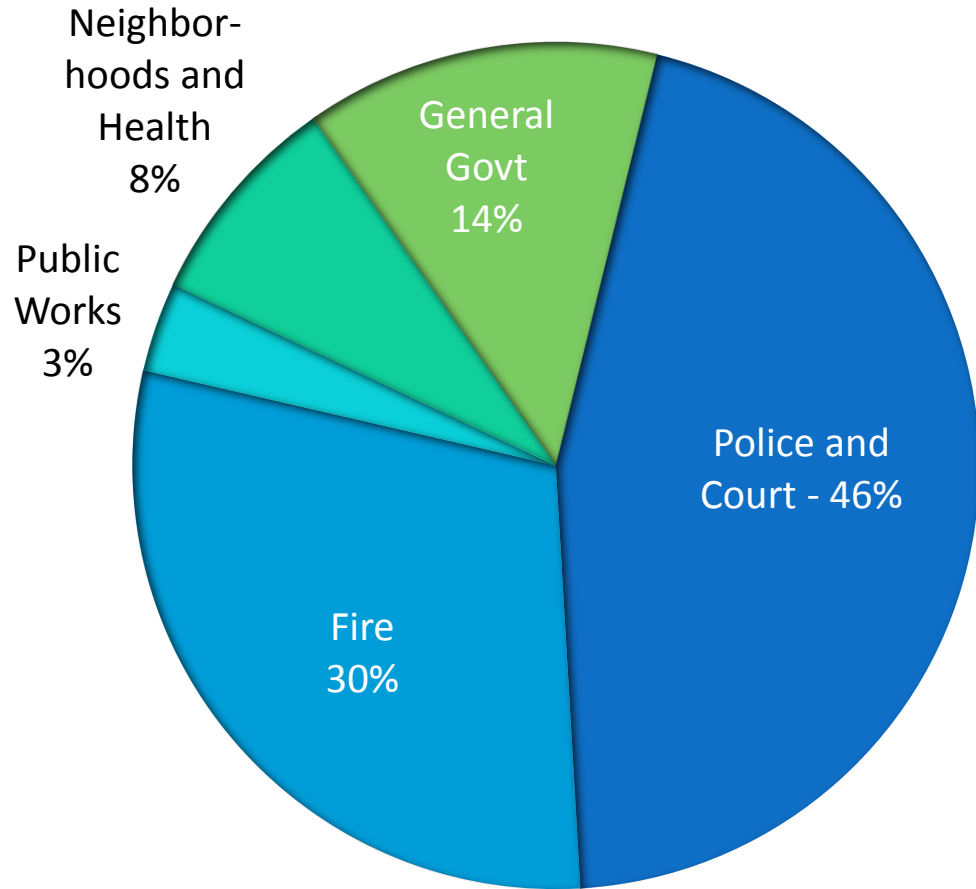*as a percent of operating expenditures*

City Policy = two months' expenditures

- 2017 incr(decr): 12.8%
- 2018: $2.3 — 12.9%
- 2019: ($0.4) — 12.6%
- 2020: $2.7 — 12.9%
- 2021: $9.9 — 14.7%
- 2022: $11.6 — 16.6%

Structural Balance - General Fund

millions $

Revenue   Expenditure

Source: Finance Department, Budget Division

Expenditure Breakdown and Debt Service (Fiscal Years Ended 2017-2022 Financial Plan)

GENERAL FUND EXPENSES: 2022

- Neighbor-hoods and Health 8%
- Public Works 3%
- General Govt 14%
- Police and Court - 46%
- Fire 30%

Debt Service
as a percent of Governmental Activities Revenues

Year	Percent
2017	16.5%
2018	17.3%
2019	18.0%
2020	17.0%
2021	16.8%
2022	16.5%

Source: Finance Department, Budget Division

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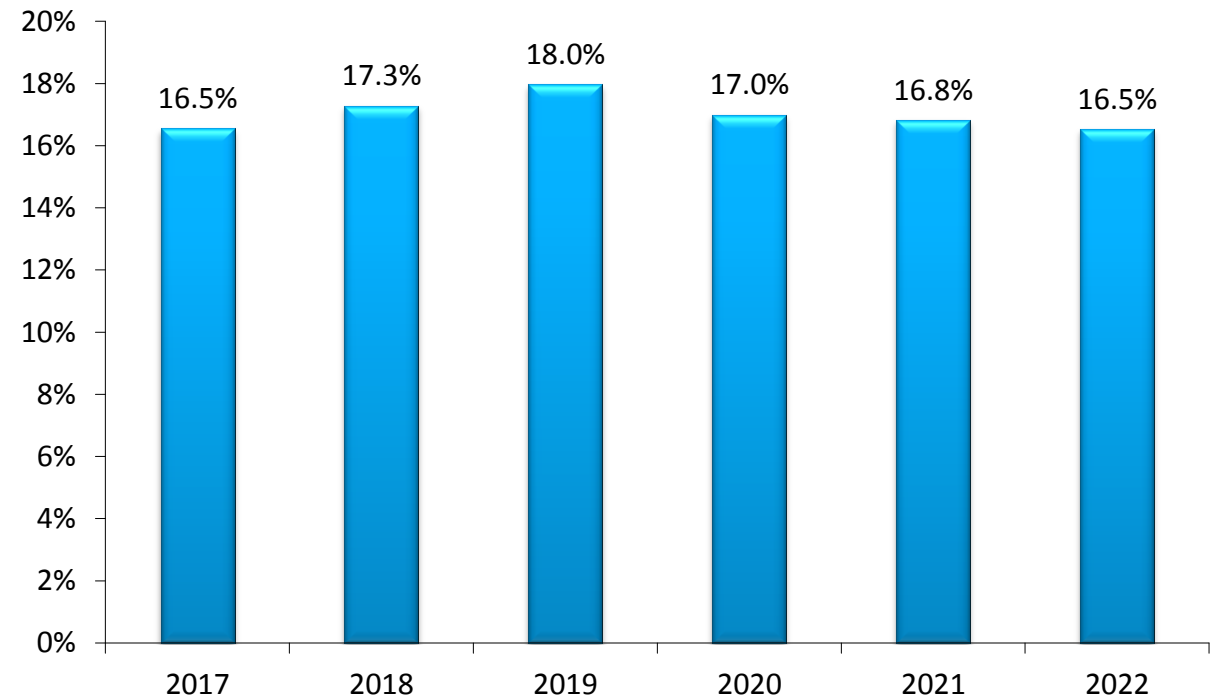
Comparison between Projection and Actual (FY 2014-15 – Five Year Financial Plan)

	Financial Plan FY 2014-15 Estimate	FY 2014-15 Actual	Variance
General Fund Revenues	$498,888,993	$500,216,532	.27%
General Fund Expenditures by Program	$433,086,755	$433,073,470	(.003%)
Total General Fund Expenditures	$498,574,523	$483,189,045	(3.09%)

Source: Finance Department, Budget Division

2017-2022 Citywide Business Plan Timeline

Month/Date	Task
June 14, 2016	Vision, Mission, Values, and Goals (Mayor and City Council)
July 15, 2016	Revising Objectives (Departments)
September 2016	Citizen Work Sessions (CWS)
September 22, 2016	2017-2022 Citywide Business Plan Resolution Introduced
September 28, 2016 - October 19, 2016	Presentation and Discussion in Council Committees
October 19, 2016	Balanced Scenario and CWS results in Finance and Governance Committee
October 27, 2016	2017-2022 Citywide Business Plan Presentation to full Council
October 27, 2016	2017-2022 Citywide Business Plan Adoption

Balancing Act

City of Kansas City, MO FY 2016-17
Adopted Budget

You are balanced.

Welcome to Balancing Act!

Have a voice in your government. Show your elected officials how you'd balance the budget.

Help & Tips

Get Started

There are two ways you can adjust the budget:

1) by changing the way money is spent

The spending section allows you to increase or decrease the amount of money that is spent on certain items. Click the arrow to the right to expand a category to see its sub-categories. This is where you will make your changes.

2) by changing the way money is brought in

The revenue section allows you to increase or decrease the amount of money coming from different sources. You will see the total amount of money from that source as well as the current tax rate, if applicable.
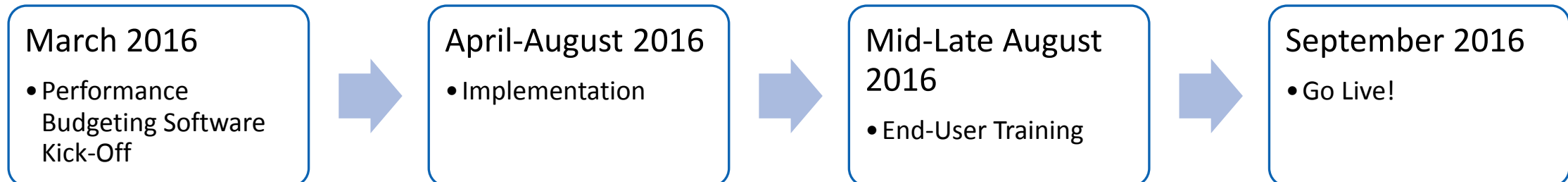
kcmo.gov/balancingact

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Balancing Act Screenshot

kcmo.gov/balancingact

Source: Finance Department, Budget Division
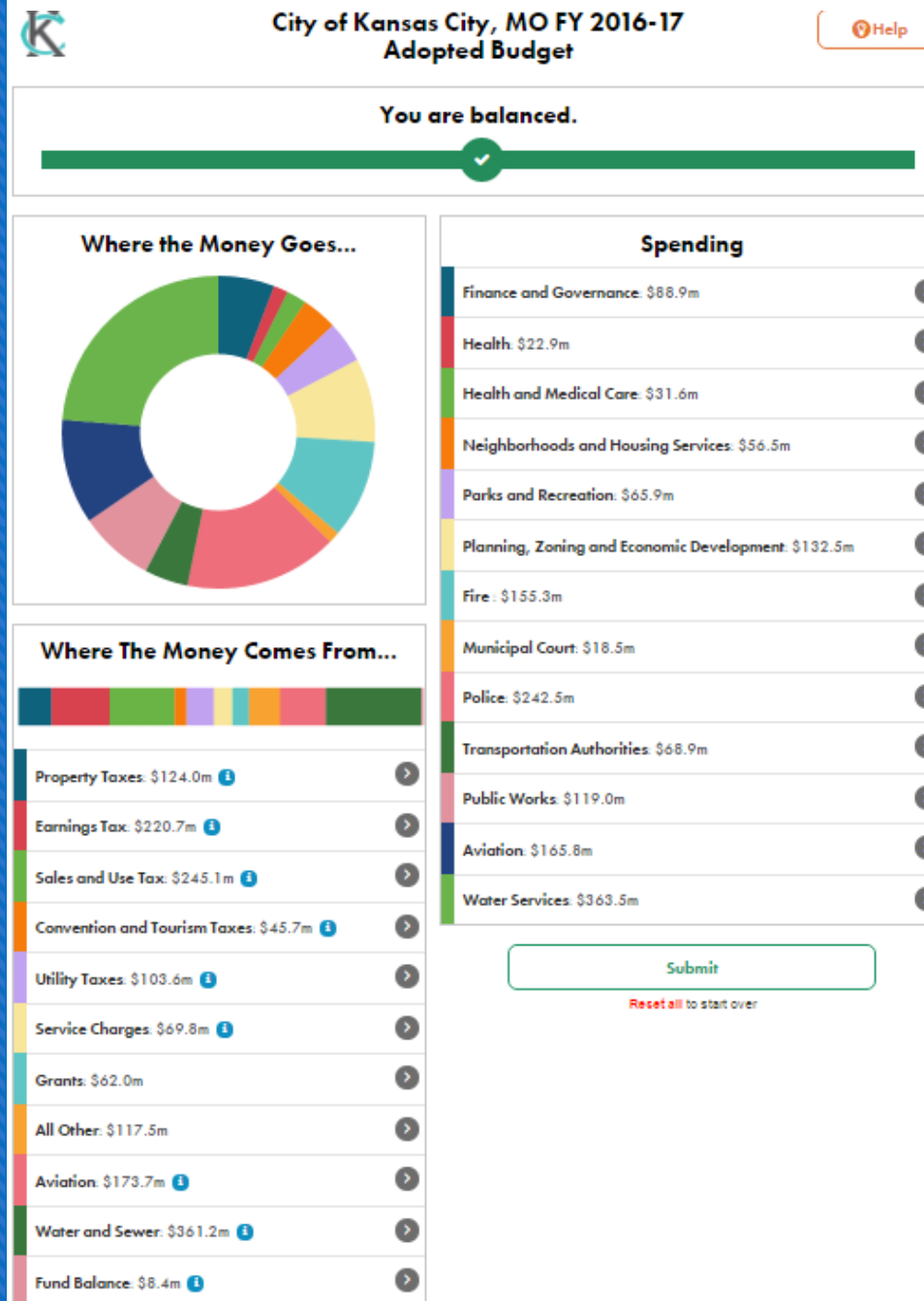
New Budget System Implementation

Key Improvements

○ Upgrade to a modern, web-based budgeting solution

○ Allow for the preloading of budget request with user-defined values (previous adopted budget, prior year actual amounts, and target budgets)

○ Enhance reporting and analytical capabilities

○ Provide the ability to integrate budget dollars with key performance measures

○ Provide the capability for budget document preparation from the system

March 2016		April-August 2016		Mid-Late August 2016		September 2016
• Performance Budgeting Software Kick-Off	→	• Implementation	→	• End-User Training	→	• Go Live!

Objective 5

Maintain and strengthen the City's General Obligation AA credit rating through the Five-Year Financial Plan.

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Credit Ratings

* No change in credit ratings since last affirmed in early 2016

Credit	Moody's	Standard and Poor's
General Obligation Bonds	Aa2 *	AA *
Special Obligation Bonds	A1 *	AA- *
Water Revenue Bonds	Aa2	AA+
Sewer Revenue Bonds	Aa2 *	AA *
Airport Revenue Bonds (senior lien)	A2	A+
Airport Revenue Bonds (junior lien)	A3	A

22

Source: Treasury Division (table also on kcstat.kcmo.org)

Credit Rating Report Comments

- Credit strengths
  - Large and stable tax base that acts as regional draw for healthcare, higher education, finance, and commerce
  - Stable financial performance that is supported by strong fiscal management and available liquidity outside of the General Fund
- Credit weaknesses
  - Very elevated debt burden
  - Large pension burden
  - Below average General Fund reserves
  - Below average socioeconomic profile

Credit Rating Report Comments

- Stable outlook reflects:
  - Continued trend of stability in the local economy and the City's financial performance
    - Supported by pension funding changes and prudent fiscal practices as outlined in the five year financial plan
- Factors that could lead to an upgrade
  - Sustained trend of surplus operations leading to growth in reserves
  - Significant moderation of debt and pension burdens
  - Continued trend of tax base growth and diversification and improvement in socioeconomic indices
- Factors that could lead to a downgrade
  - Weak financial performance leading to any declines in reserves
  - Inability to grow reserves in proportion to growing budget
    - Reserve position on a percentage basis has fallen over the last five years
  - Increase in debt profile

Credit Rating Report Comments

- Credit strengths
  - Adequate economy, with access to a broad and diverse metro area
    - Ability to expand north of the river is a credit positive
  - Very strong management with strong financial policies and practices
  - Adequate budgetary performance
  - Strong budgetary flexibility
    - Five year plan to build reserves
  - Very strong liquidity
- Credit weaknesses
  - Weak debt and contingent liability profile
  - Failed renewal of the earnings tax would present significant budget challenges

Credit Rating Report Comments

- Stable outlook reflects:
  - Very strong management and adequate economy
- Factors that could lead to an upgrade
  - If the City is able to improve its economic indicators substantially while maintaining balanced or better financial operations and 100% ARC funding
- Factors that could lead to a downgrade
  - If the City does not maintain adequate or better financial performance and strong budgetary flexibility
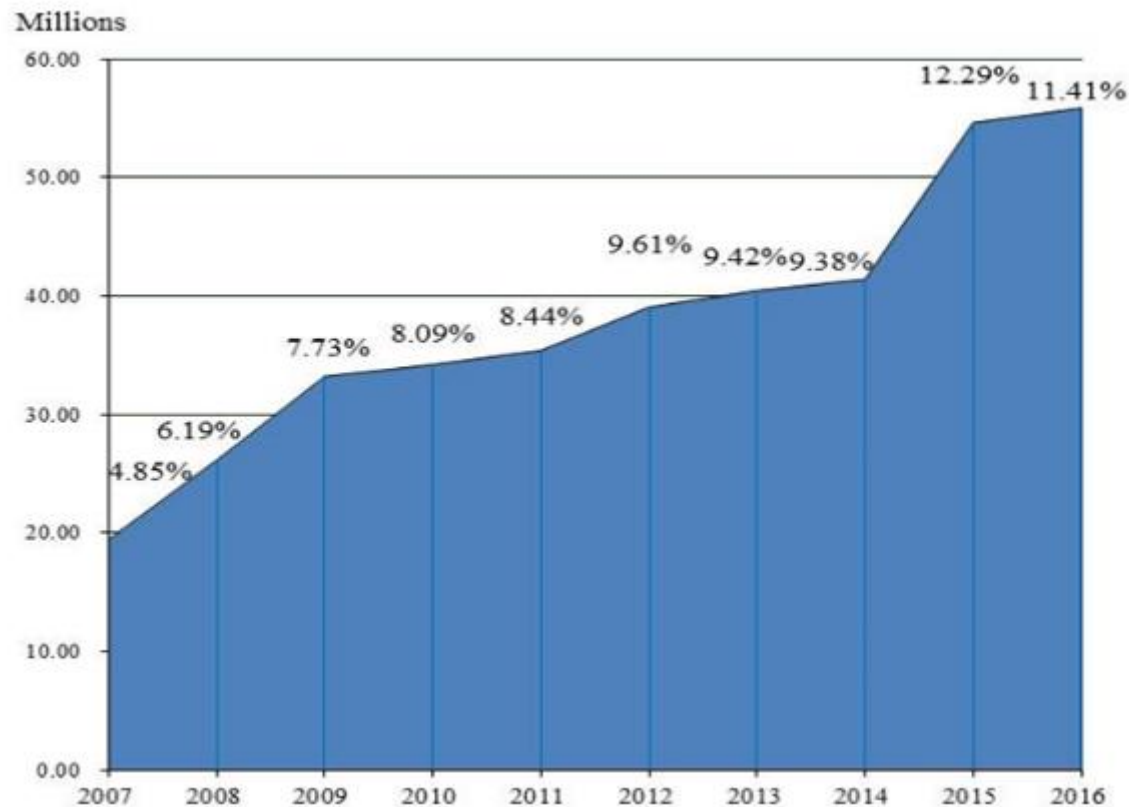
Governmental Activities Debt Amortization
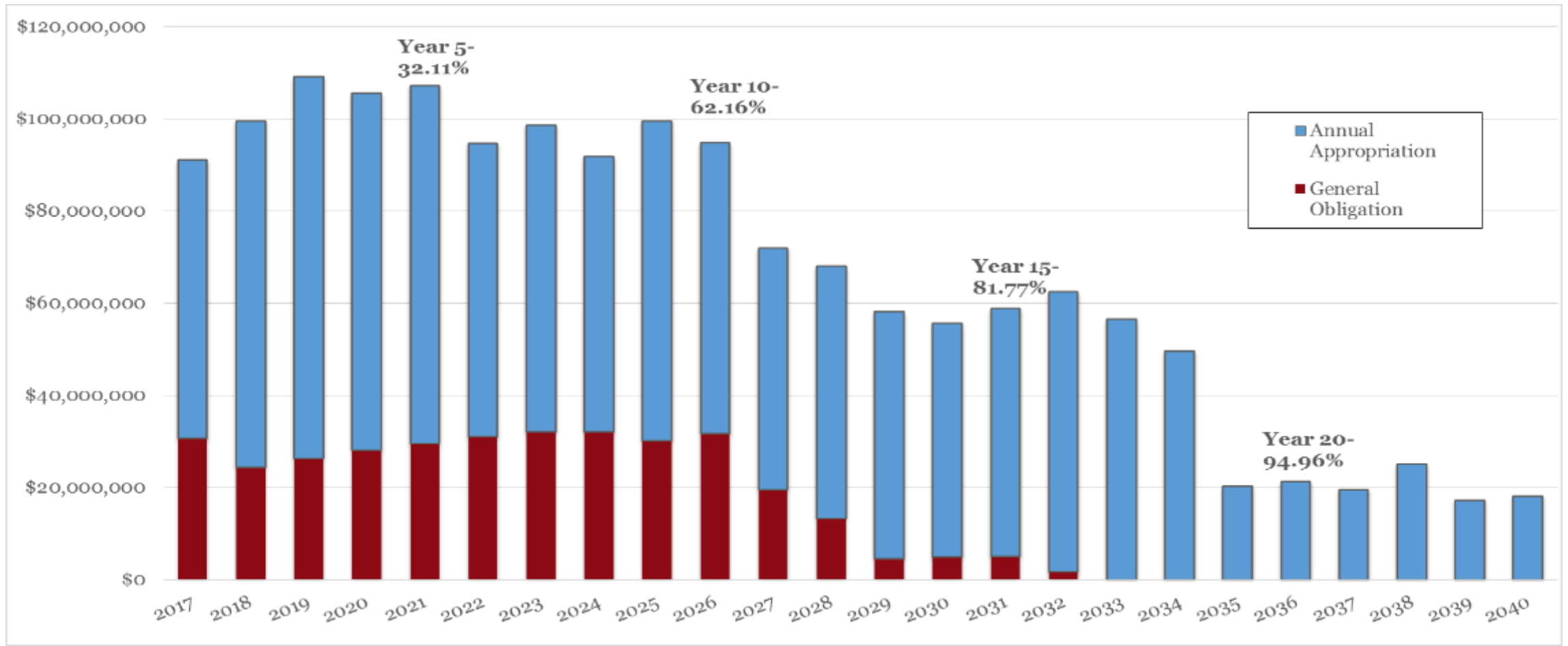
Source: Finance Department, Treasury Division

FY2015-16 Year End Results

- On a budget basis, unreserved General Fund balance is $55.9 million or 11.4% of General Fund operating expenses

  - Percentage has decreased slightly due to an increase in operating expenses but $1.2 million was added to fund balance on a budget basis

Source: Finance Department

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General Fund Revenues

(in thousands)

	FY 2014-15 Budget Basis	FY 2015-16 Budget Basis	Increase/ (Decrease)
Revenues			
Taxes			
General property	$ 56,135	$ 56,670	$ 535
Earnings and profits	213,121	210,640	(2,481)
Hotel and restaurant	231	259	28
Gaming	14,027	13,565	(462)
Local option use	37,110	33,917	(3,193)
Railroad and utility	2,789	3,050	261
Cigarette	2,557	2,586	29
Licenses, permits and franchises	119,944	114,326	(5,618)
Fines and forfeitures	17,716	14,293	(3,423)
Interest, rents and concessions	1,968	2,443	475
Charges for services	23,829	42,243	18,414
Intergovernmental revenues	3,407	2,126	(1,281)
Special assessments	346	420	74
Other	3,578	3,065	(513)
Total revenues	496,758	499,603	2,845
Other Financing Sources			
Transfers in	3,415	32,452	29,037
Total Revenues and Other Financing Sources	$ 500,173	$ 532,055	$ 31,882

Source: Finance Department

General Fund Expenditures

(in thousands)

	FY 2014-15 Budget Basis	FY 2015-16 Budget Basis	Increase/ (Decrease)
Expenditures			
Current			
General government	$ 75,330	$ 80,055	$ 4,725
Fire	105,030	148,779	43,749
Public works	21,694	22,375	681
Neighborhood development	22,994	19,372	(3,622)
Culture and recreation	1,999	2,644	645
Police	205,584	205,584	-
Debt service			
Principal retirement	7,791	7,176	(615)
Interest	3,837	3,625	(212)
Fiscal agent fees	12	6	(6)
Capital outlay			
Public works	15	1	(14)
Neighborhood development	-	2	2
Fire	-	2	2
General government	284	118	(166)
Total expenditures	444,570	489,739	45,169
Other Financing Uses			
Transfers out	38,619	39,458	839
Change in consolidating funds, reserves and net re-appropriations	2,832	1,631	(1,201)
Total Other Financing Uses	41,451	41,089	(362)
Total Expenditures and Other Financing Uses	$ 486,021	$ 530,828	$ 44,807

Source: Finance Department

Objective 10

Develop a plan of finance for potential improvements at the Kansas City International Airport.

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KCI Update

○ Plans to pursue capital improvements at KCI have been put on hold.

Objective 11

Develop a comprehensive funding strategy for maintenance and capital improvements in conjunction with the renewal of the Capital Improvement Sales Tax in 2018 and a $500 million General Obligation Bond authorization in 2016.

Funding Strategy for Maintenance and Capital Improvements: Update

The Finance Department will begin work with departments this summer on a long-term plan to fund maintenance and capital improvements with the goal of designing a program that capitalizes on the renewal of the capital improvements sales tax and approval of general obligation bond authority.

The ideal funding strategy would include the use of the capital sales tax for major maintenance while reserving general obligation bond authorization for construction.

Operational

Efficiency

10.8M

annual expenditures on
workers compensation
claims and settlements
👁 measuring

Detail ❯

Operational Efficiency

Objective 3

Develop an organizational standard of administrative, governance, and financial core competencies for employees by employing a combination of classroom and online training.

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Finance Training Academy (FTA)

The Finance Department & Procurement Division of General Services are developing the FTA to provide standardized, up-to-date training to all staff involved in City finances to improve consistency and accuracy and to ensure that policies and procedures are being followed uniformly across the City.

Course descriptions have been developed for 25 classes so far.

- The Education and Development Division of Human Resources will provide training for Finance and Procurement staff to design the actual courses.
- These training sessions will take place in **July**.
- Human Resources will provide Train-the Trainer courses for Finance Training Academy instructors later this year.

The program is expected to begin in early 2017

- Will first include a training program designed for employees who serve as fiscal officers for departments.
- The curriculum will be expanded in the future to include other City staff who have financial responsibilities or oversight.
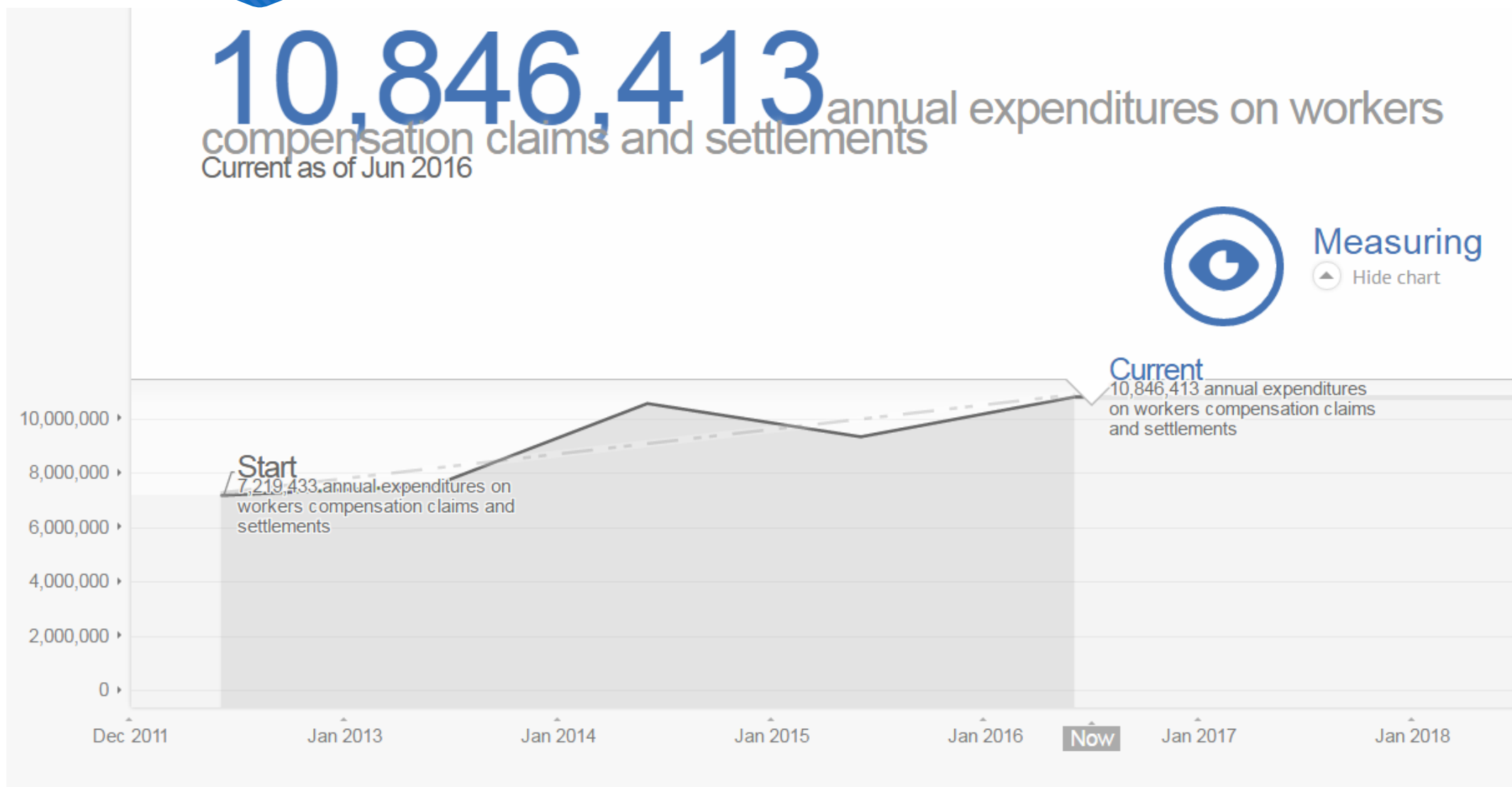
ThinkZoom Training Platform

- Close to **1,450** employees are utilizing the system
  - General Services and Human Resources have used the platform to create customized content which have had over **1,000** views.
  - Plans for a mandatory citywide roll-out of ethics refresher training is in the works.
  - In FY17, Education and Development will begin coordinating user group meetings for trainers utilizing the system to create more content.
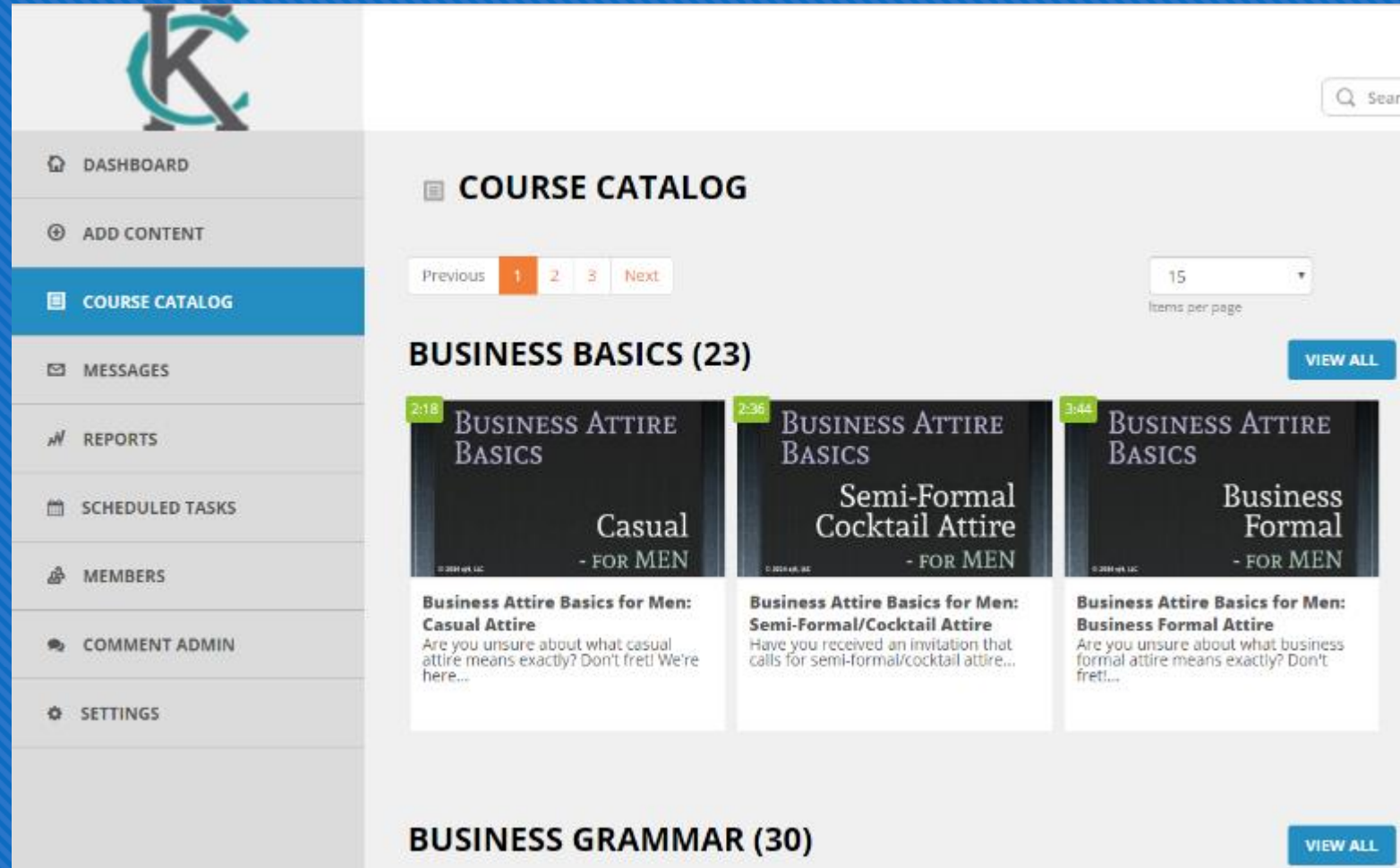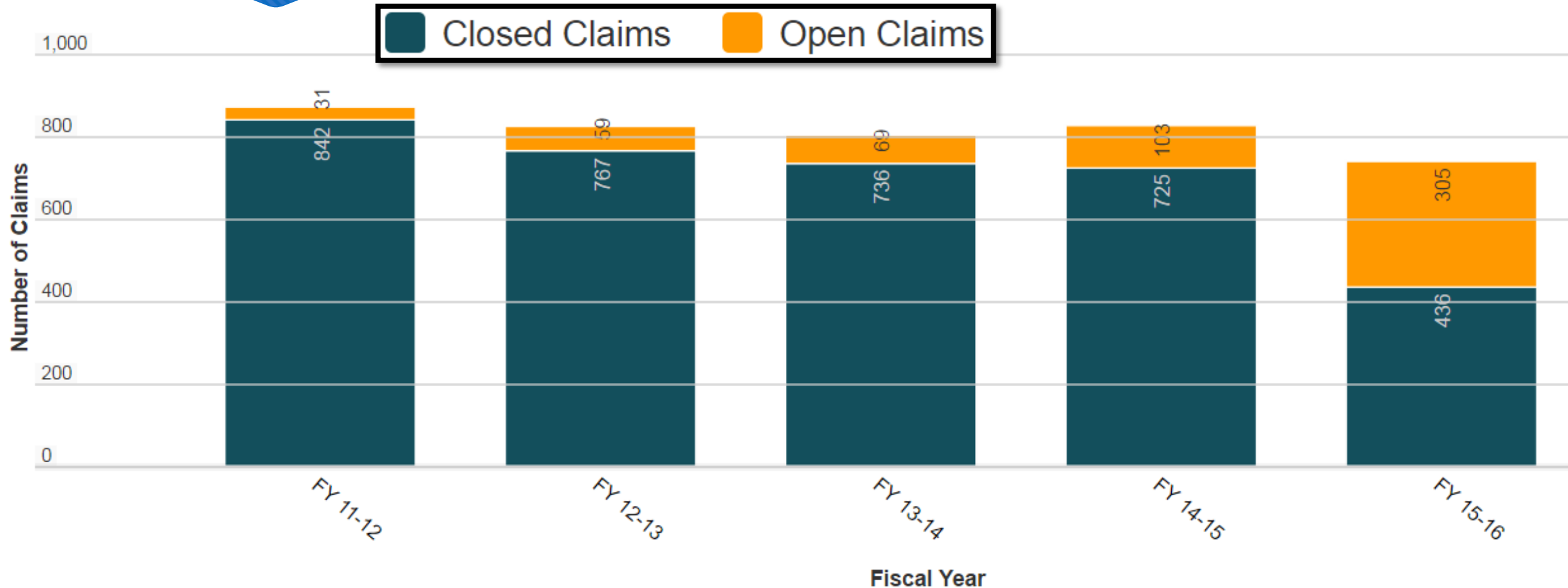
Objective 6

Improve safety, reduce risks, and reduce exposure to claims for residents, employees, and visitors by establishing citywide policies and processes to identify hazards; develop recommendations for abatement by level of risk; and track completion dates.

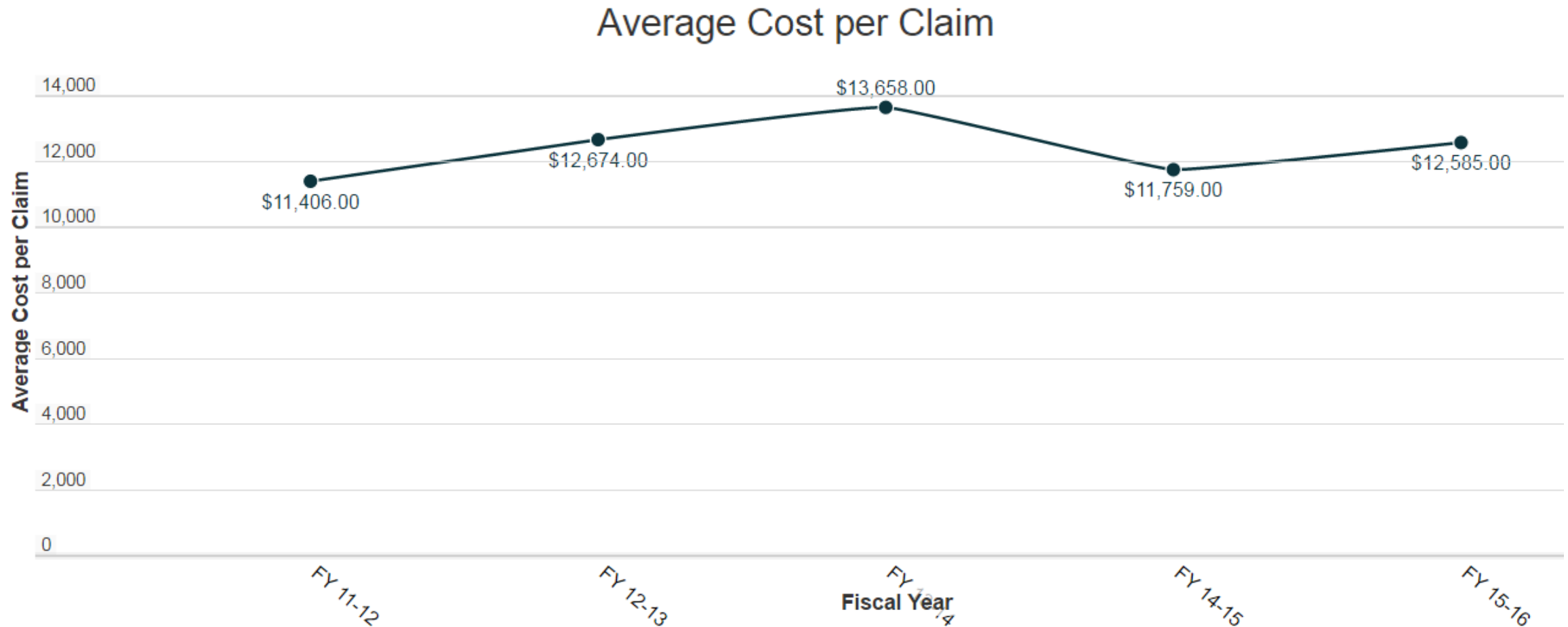# Total Spending on Workers Compensation Claims and Settlements

10,846,413 annual expenditures on workers compensation claims and settlements
Current as of Jun 2016

Measuring
Hide chart

Current
10,846,413 annual expenditures on workers compensation claims and settlements

Start
7,219,433 annual expenditures on workers compensation claims and settlements

Source: General Services Department, Worker Safety/Risk Management Division (kcstat.kcmo.org)

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Workers Compensation: Number of Claims

Benchmarking effort: A group of ten cities have been identified, including some of KC's comparison cities, to participate in a blind benchmarking study of workers' compensation and occupational safety metrics. Lockton has agreed to provide staff support to this effort.

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Workers Compensation: Cost per Claim (Five-Year Rolling Basis)

Average Cost per Claim

Average Cost per Claim Benchmark for Local Governments: $4,800.00

Source: General Services Department, Worker Safety/Risk Management Division and Thomas McGee (kcstat.kcmo.org)

Implementation of a Best Practice Workers Compensation Program

Nurse Care Line – Implemented!

- Average cost per claim with Nurse Care Line is 9% less than City report method. This percentage is expected to increase as the program was implemented mid-year.
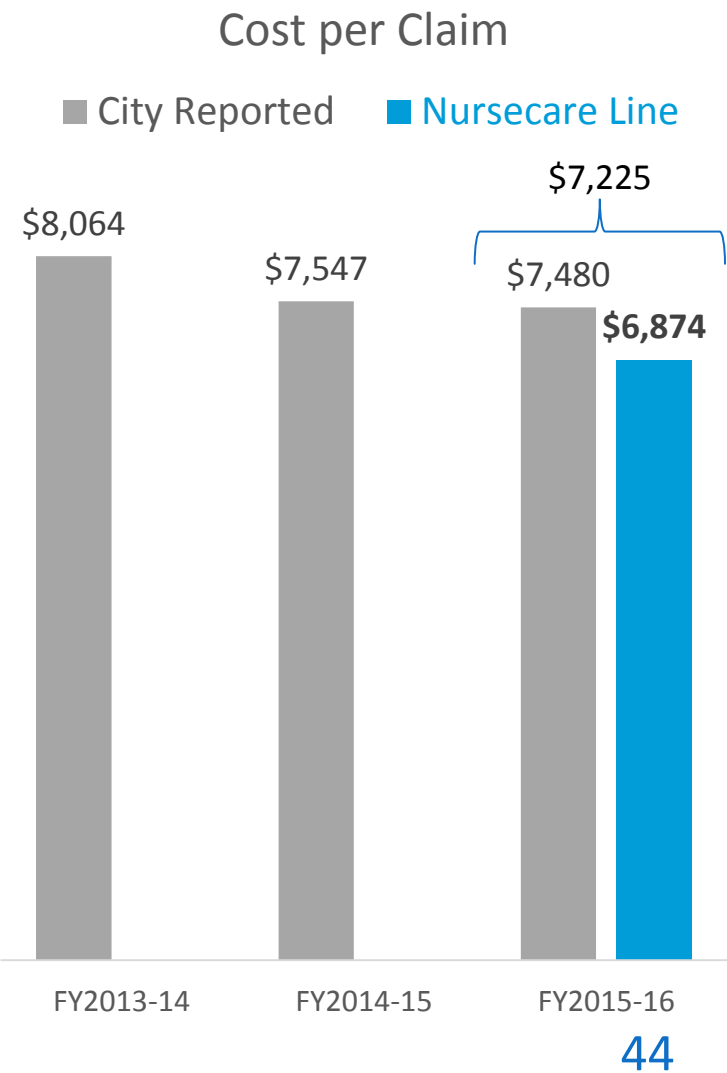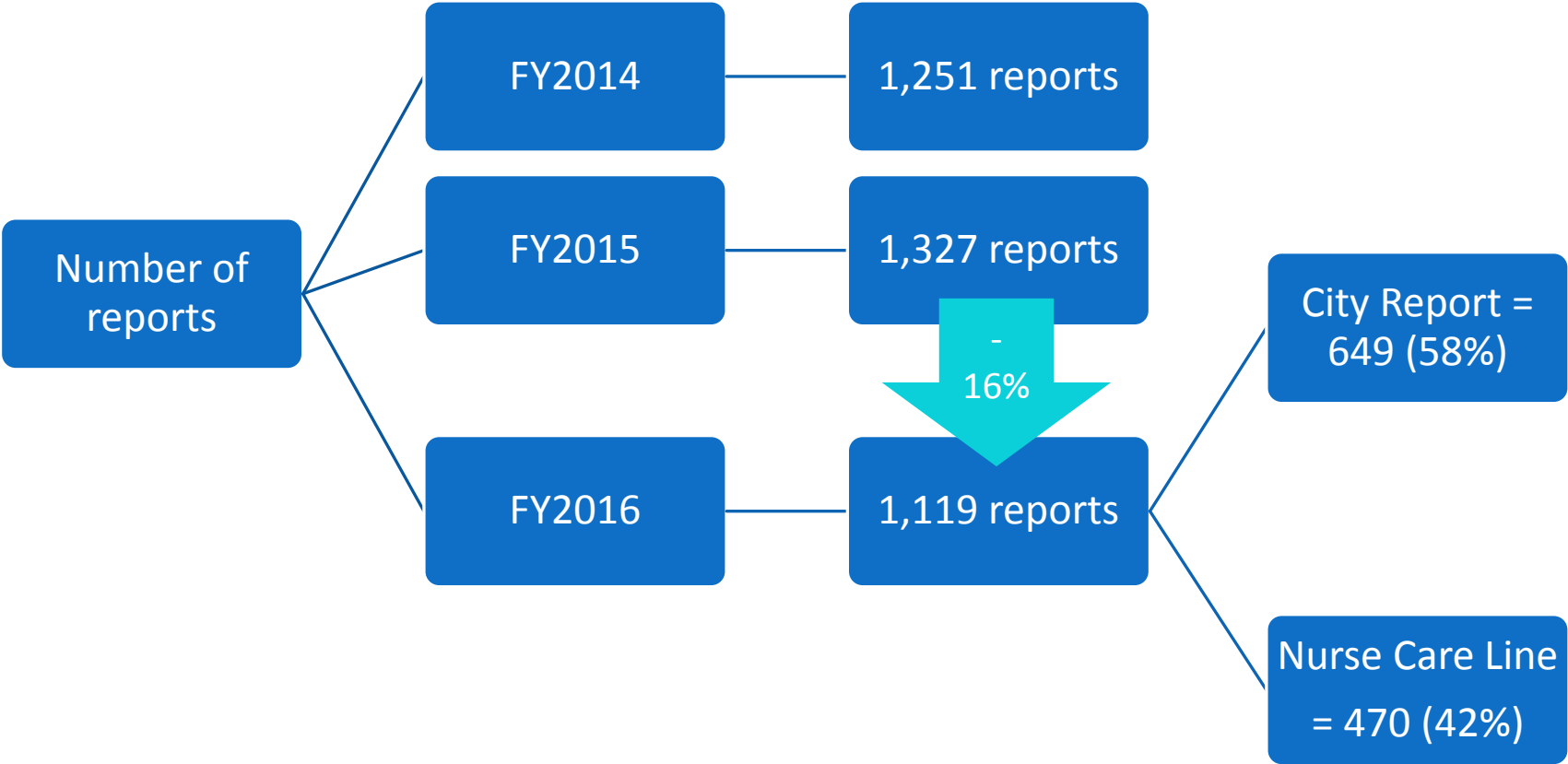- 100 of 469 claims required limited medical treatment.

Transitional Duty Program – Implemented!

- Corporate Safety administers the program and works with departments to return employees to work.

Fraud Prevention – Ongoing. City Manager approved plan. Union notification next.

- Education and training
- Ethics Hotline
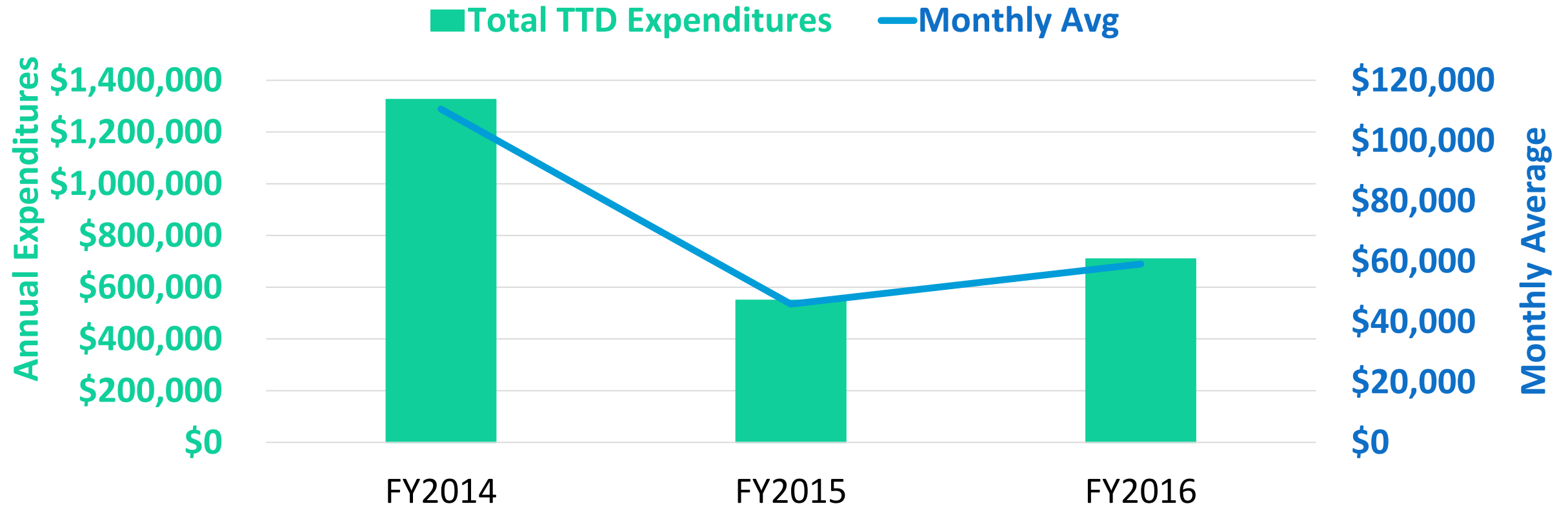- Use of surveillance when appropriate

Nurse Care Line Outcomes

Number of reports
- FY2014 — 1,251 reports
- FY2015 — 1,327 reports
- FY2016 — 1,119 reports

- 16%

1,119 reports
- City Report = 649 (58%)
- Nurse Care Line = 470 (42%)

Cost per Claim

■ City Reported ■ Nursecare Line

- FY2013-14: $8,064
- FY2014-15: $7,547
- FY2015-16: $7,480 (City Reported), $6,874 (Nursecare Line)
- $7,225

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Transitional Duty

Temporary Total Disability (TTD) Expenditures

Total TTD Expenditures — **Monthly Avg**

AR requiring departments to create transitional duty assignments was put in place in January 2014 in order to decrease Temporary Total Disability expenditures.

Source: General Services Department, Worker Safety/Risk Management Division

Implementation of a Best Practice Workers Compensation Program

Litigation Strategies - Ongoing

- Settlement authority below a defined threshold approved by the City Attorney for the TPA to settle. This allows the City legal team to focus on high dollar and exceptional cases.
- Strategy sessions between the City legal team, claims adjuster and Lockton consultants.
- Quarterly performance audits of case files as a tool for Law's management team

Functional Job Studies - Ongoing

- 82 Functional Job descriptions completed as of today

Fit-for-Duty Draft Policies - Delivered to the City Manager 5/16/16. Next step is Union notification.

- Post Offer Pre-employment/Preplacement
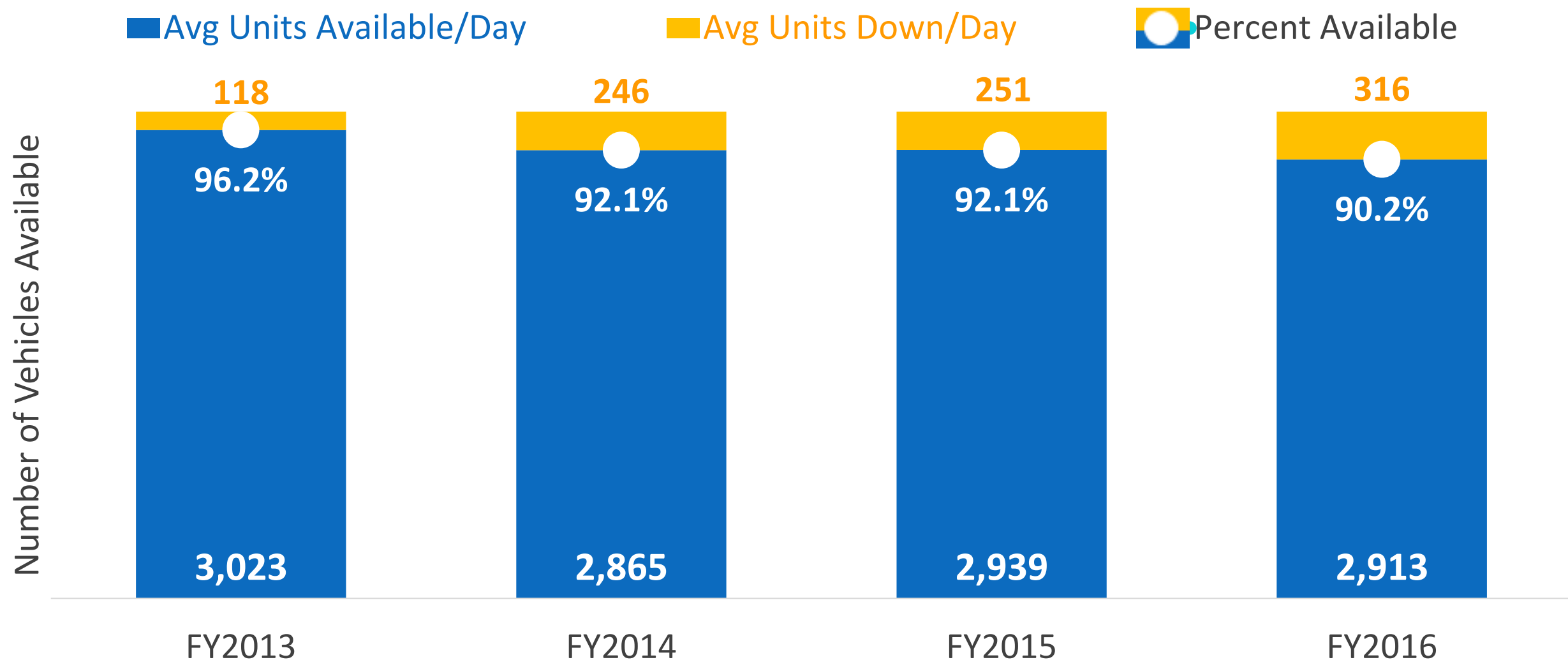- Post Injury
- For Cause

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Worker Safety Initiatives: Current

○ The number of occupational injuries were reduced by more than **15%** over the previous FY (831 to 706).

○ The DriveCam rollout continues. **292** DriveCam event recorders were installed in Public Works vehicles.

○ Track Access Training was completed for more than **600** city employees and vendors who perform maintenance work along the new KC Streetcar Line.

○ Active Shooter Drills and training classes were held at City Hall and other city facilities to ensure staff are prepared to protect themselves and customers in the event of an event.

47

Source: General Services Department, Worker Safety/Risk Management Division

Objective 8

Continue to implement a vehicle and equipment replacement program.
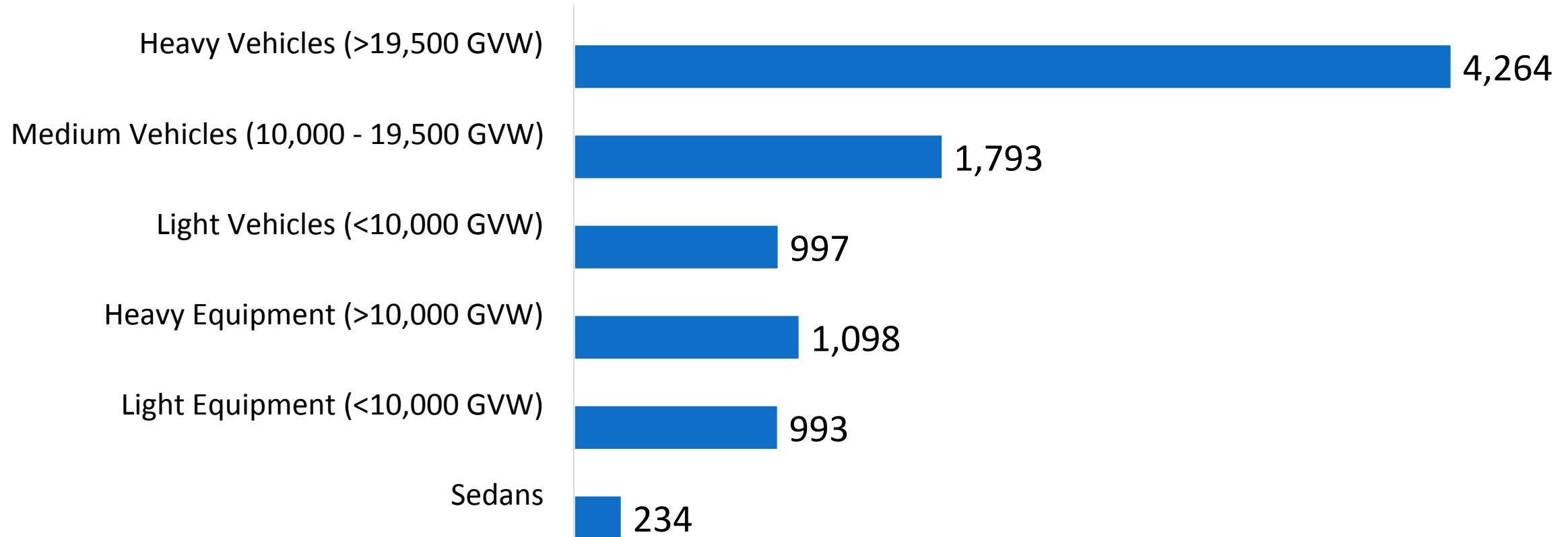
Fleet Availability Over Time Citywide

■ Avg Units Available/Day   ■ Avg Units Down/Day   ● Percent Available

Number of Vehicles Available

	FY2013	FY2014	FY2015	FY2016
Avg Units Down/Day	118	246	251	316
Percent Available	96.2%	92.1%	92.1%	90.2%
Avg Units Available/Day	3,023	2,865	2,939	2,913

Source: General Services Department, Fleet Division

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Profile of Fleet as of May 2016

Number of Vehicle Equivalents by Vehicle Type

(GVW = Gross Vehicle Weight)

1 Vehicle Equivalent = resources to maintain one sedan (e.g. 1 dump truck = approximately 10 VE)

Vehicle Type	Vehicle Equivalents
Heavy Vehicles (>19,500 GVW)	4,264
Medium Vehicles (10,000 - 19,500 GVW)	1,793
Light Vehicles (<10,000 GVW)	997
Heavy Equipment (>10,000 GVW)	1,098
Light Equipment (<10,000 GVW)	993
Sedans	234

50

Source: General Services Department, Fleet Division

Efforts to Right-Size Fleet

○ Redesign for light trucks

    ○ Hydraulic to electric components (less complexity, less breakage, lower cost)

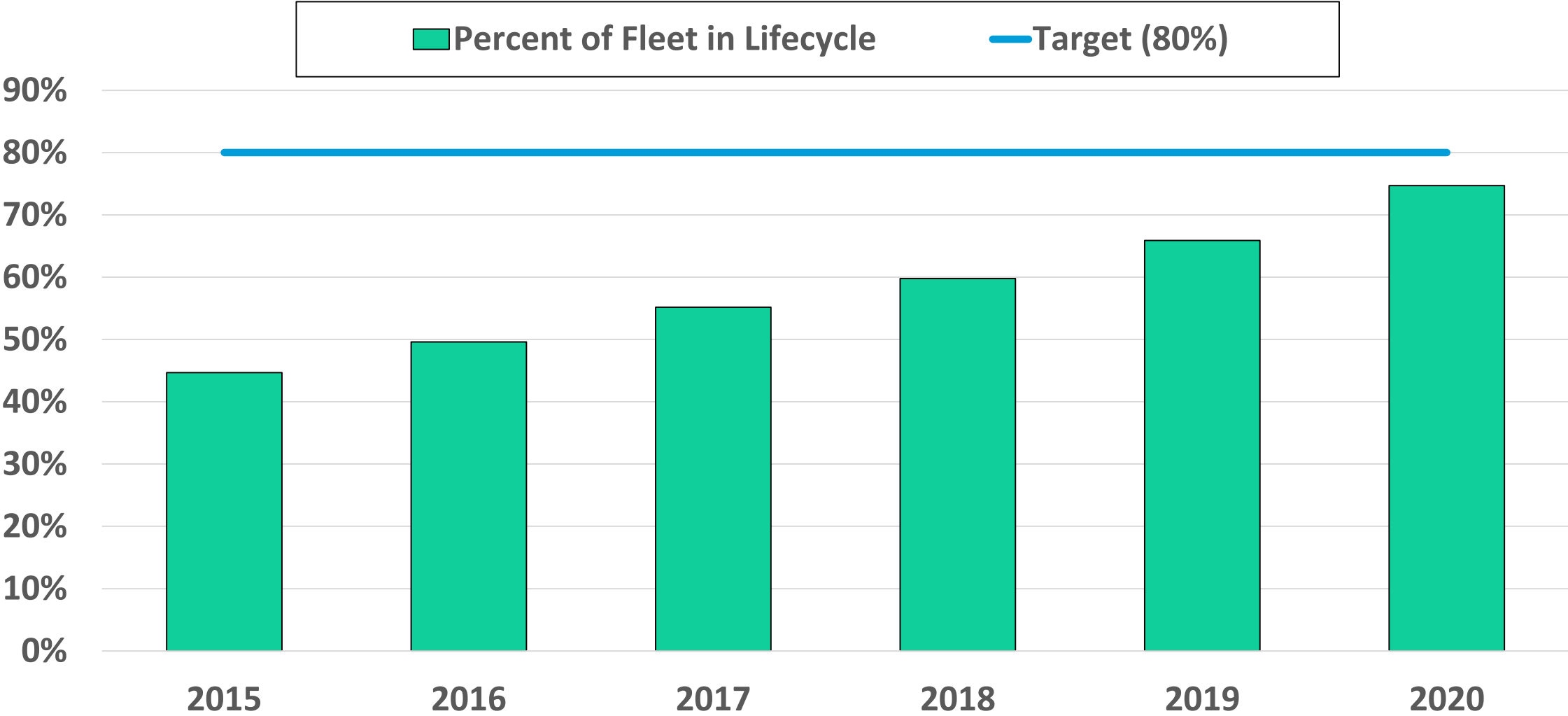   ○ Pickup bed to aluminum flatbed (less opportunity for rust)
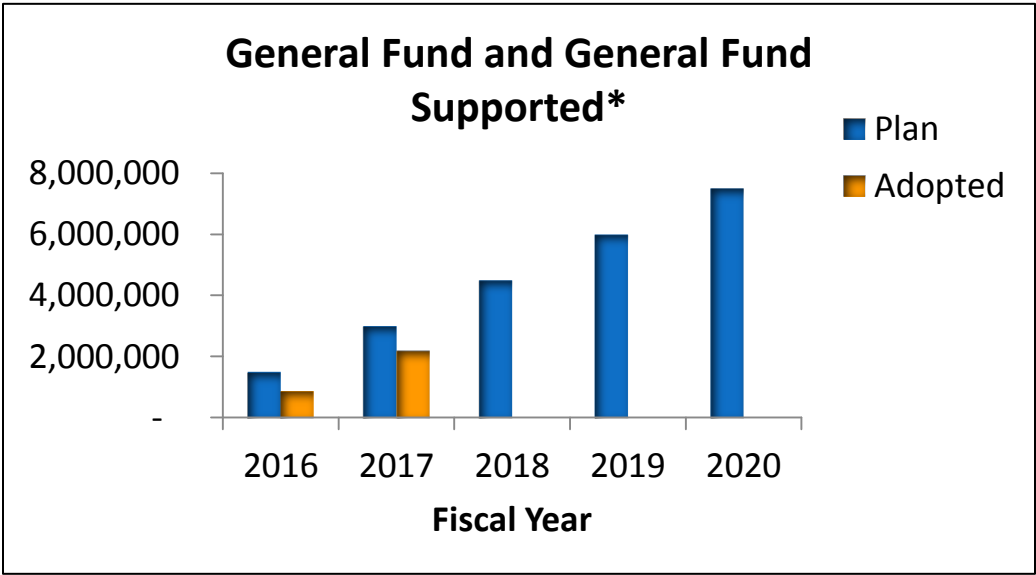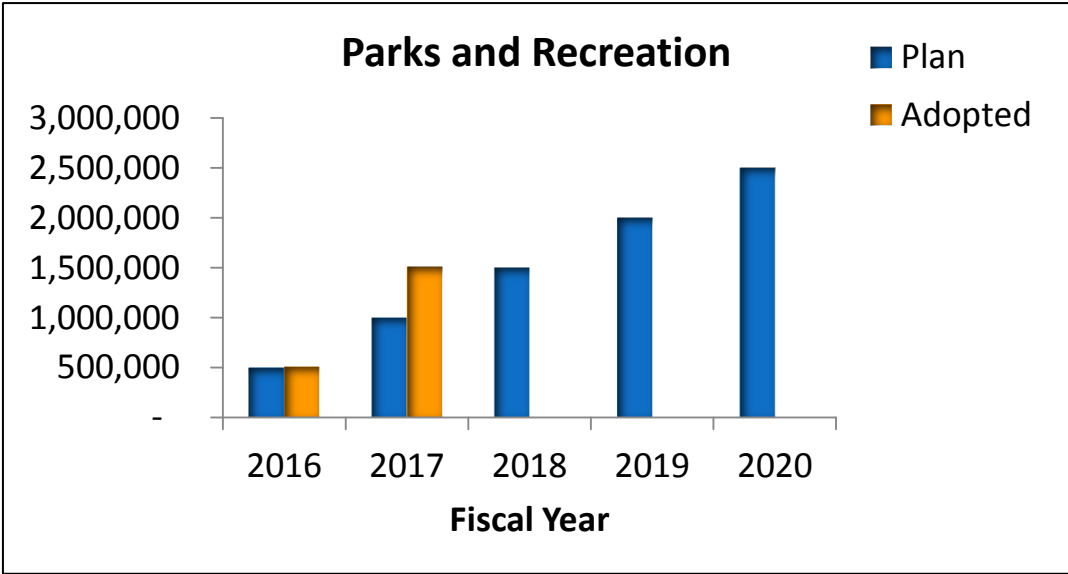
Before

After

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Fleet in Lifecycle

Source: General Services Department, Fleet Division (kcstat.kcmo.org)
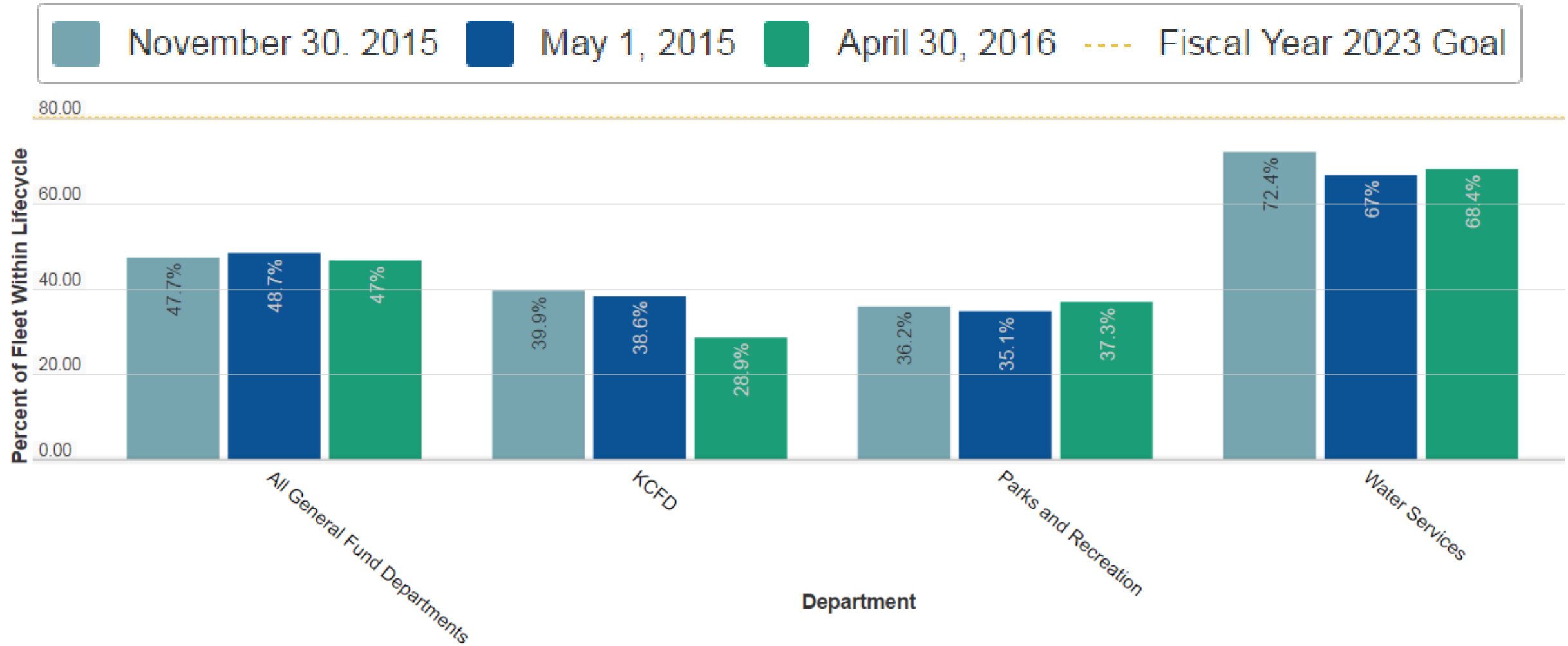
Fleet Replacement Plan in Five Year Financial Plan

Legend: Percent of Fleet in Lifecycle | Target (80%)

Chart values:
- 2015: ~45%
- 2016: ~50%
- 2017: ~55%
- 2018: ~60%
- 2019: ~66%
- 2020: ~75%
- Target: 80%

Source: Finance Department, Budget Division

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Progress on Fleet Replacement Plan

Fire Department

Parks and Recreation

General Fund and General Fund Supported*

Source: Finance Department, Budget Division
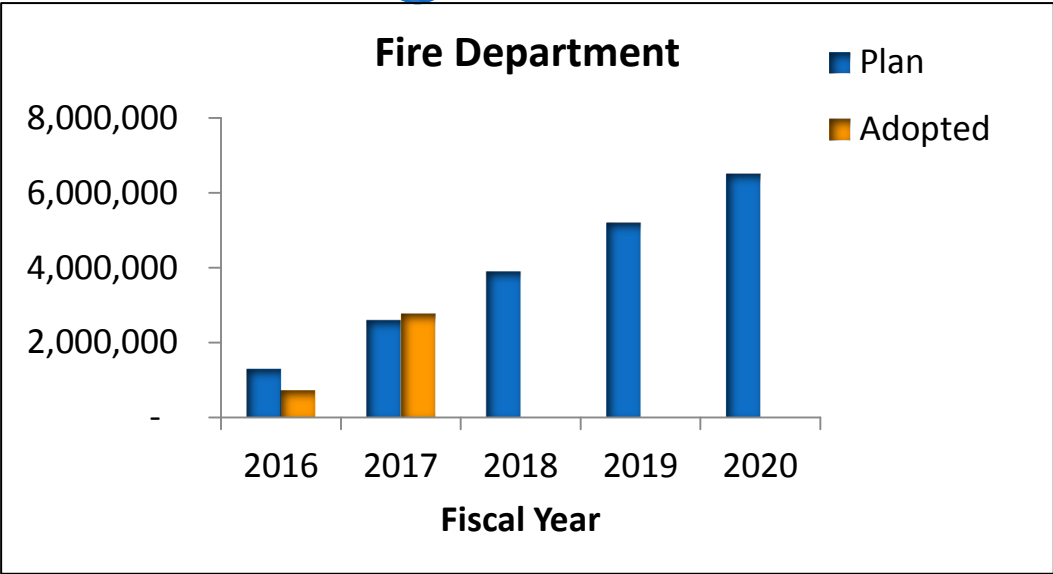
*Includes Development Services, Street Maintenance, Health Levy, and Conventions

Objective 7

Identify the largest opportunities for cost savings and efficiencies through operational analyses, managed competition, and performance indicators.

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Budget's Business Analysis Process

Budget Increases or Constraints

Performance or KC Stat

City Leadership Priorities

Identify and Invite Stakeholders & Expertise

Review Best Practices and Data

Leading Change

Solutions thru Implementation

Measure Impact

Identify the Opportunity

Collaborate for Solutions

Best Practice Results
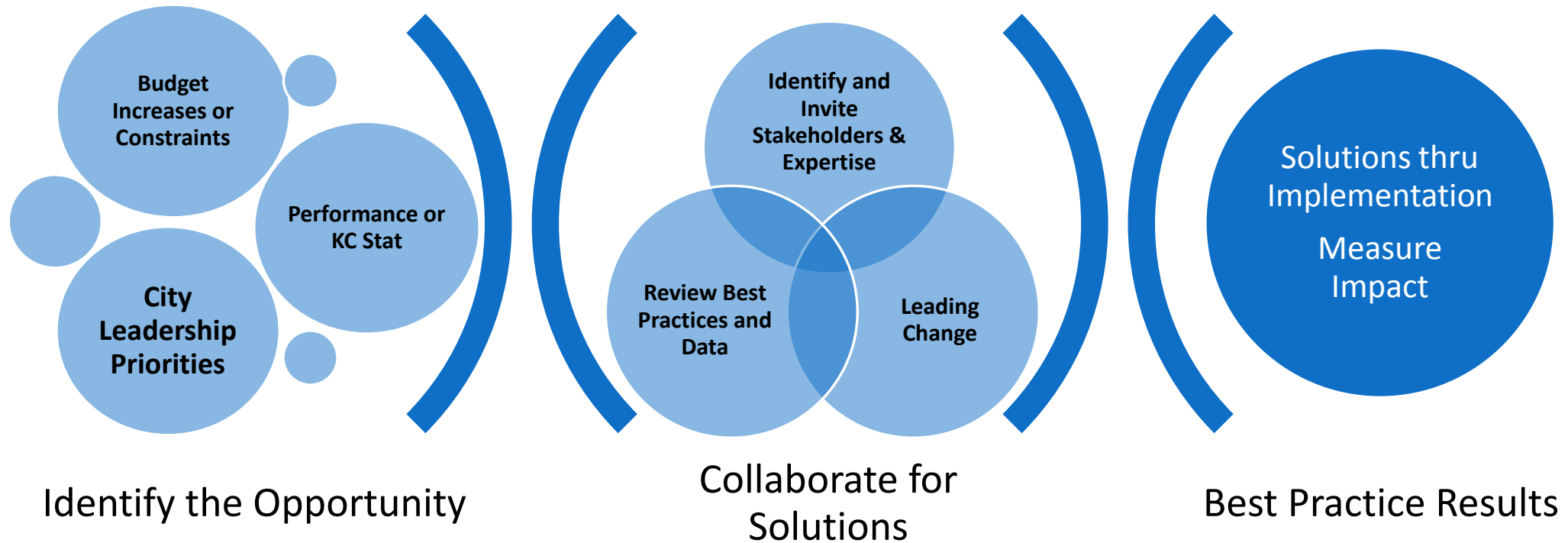
Why is this model successful?

- Aligns priorities

- Links City towards a unifying outcome

- Partnership with departments

- Data driven

- Replicable yet adaptable

- Consistent support through implementation

- Performance is measured and reported

Business Analysis Project - Purchase Order Review

Opportunity: Review open purchase orders for possible savings

Partners:

- Departments Citywide

- Procurement

- Accounts

Results Delivered:

- Savings of $2.3 million recognized in FY 2015-16

- Savings of $2.4 million recognized in FY 2014-15

Source: Finance Department, Budget Division

Business Analysis Project- Building a Best Practice Workers Compensation Program

Opportunity: Identify and implement best practice process for the Workers' Compensation program from claim thru resolution and measure effectiveness

Partners: Departments Citywide, General Services, Law, Human Resources

Results Delivered:

Department	% Increase/Decrease	Projected Loss FY 2016	Projected Loss FY 2017
Parks	11%	$ 649,972	$ 720,237
Aviation	-15%	748,658	637,632
Public Works	-25%	1,474,369	1,105,229
Water	-8%	2,166,153	1,998,118
Fire	15%	6,136,243	7,037,320
Total		$ 11,175,395	$ 11,498,536
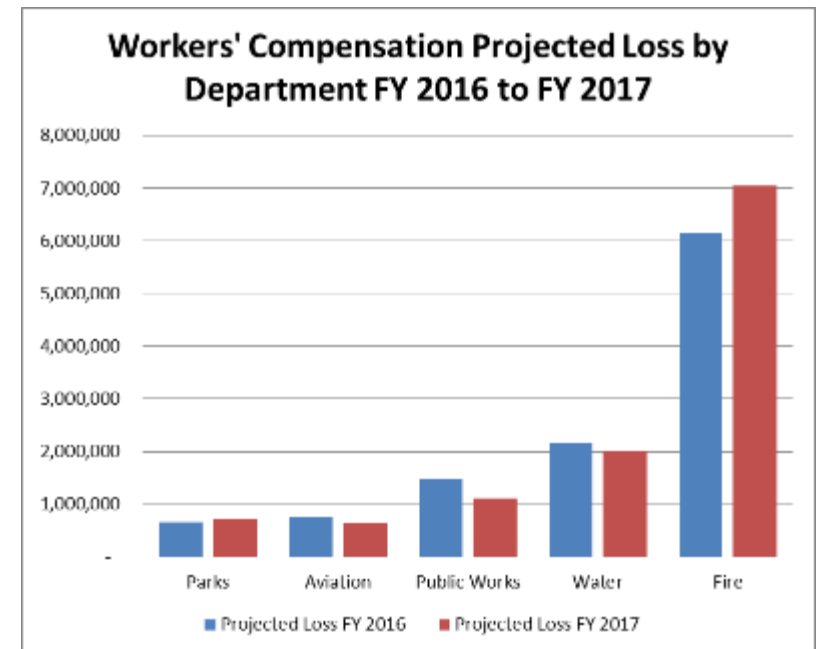
Workers' Compensation Projected Loss by Department FY 2016 to FY 2017

Source: Finance Department, Budget Division

Business Analysis Project- Building a Best Practice Workers Compensation Program

Nurse Care Line

Implemented!

Transitional Duty Program

Implemented!

Fraud Prevention

Approved by City Manager – Next Step is Union Notice

Litigation Strategies

Implemented!

Functional Job Studies

Ongoing

Fit-for-Duty Policies

Approved by City Manager – Next Step is Union Notice

Safety Training

Ongoing

Measure Performance

City of Kansas City, Missouri
Quarterly Workers' Compensation Dashboard
4th Quarter - Fiscal Year 2016

Transitional Duty
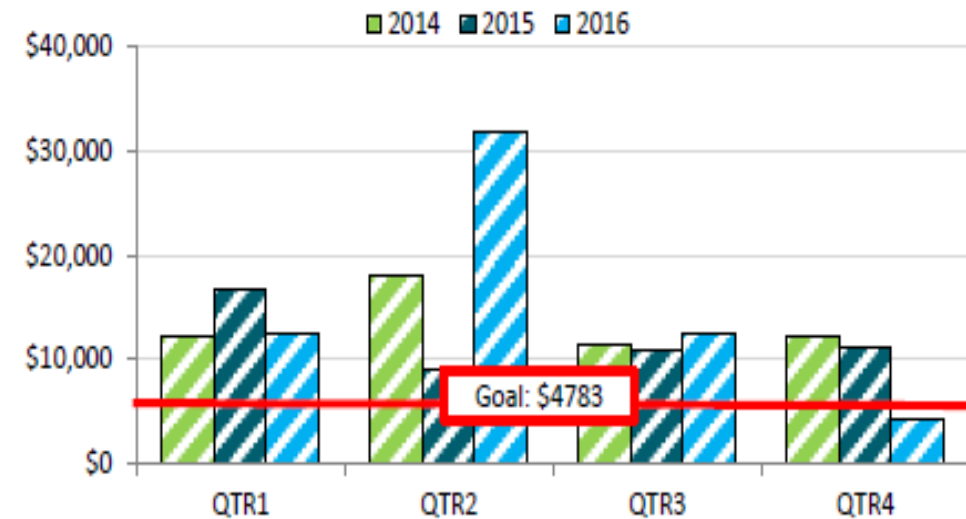**Nurse Care Line**
Fit For Duty
Safety Program
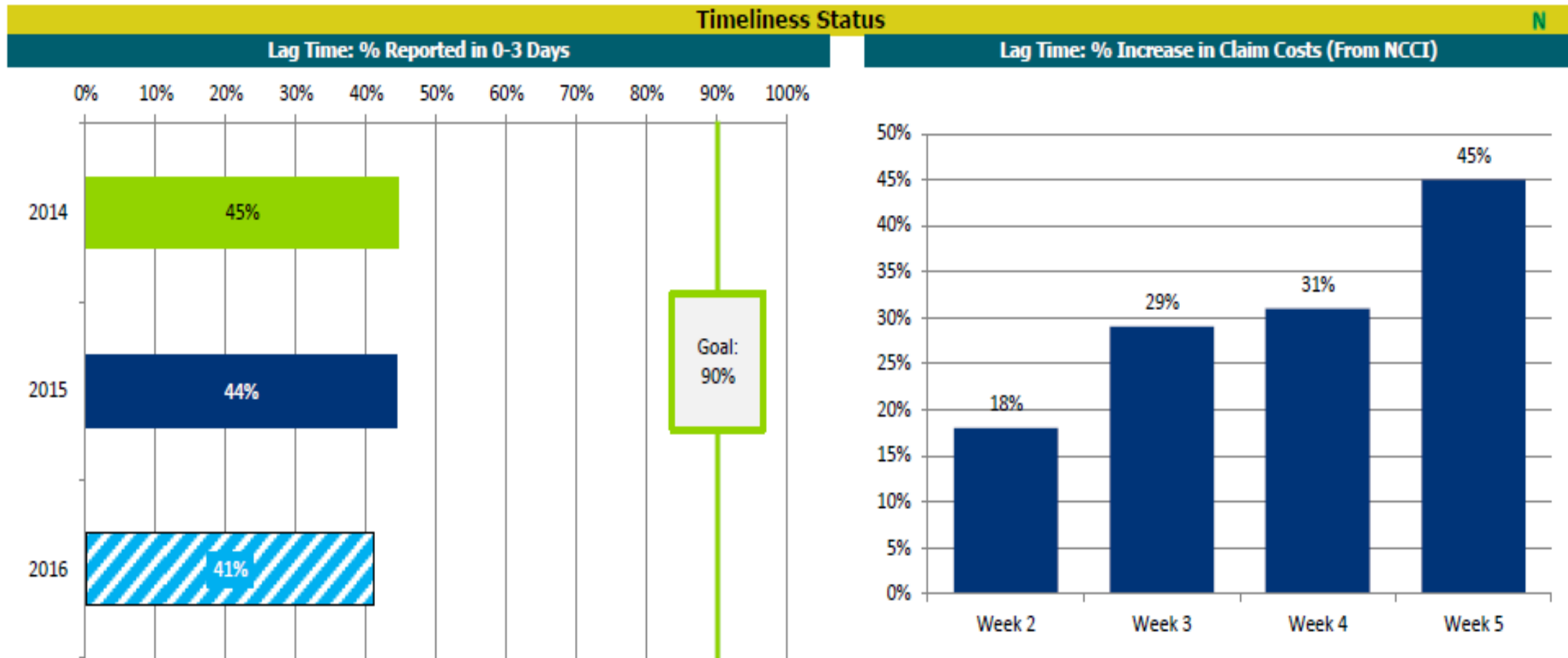**Fraud Prevention**

Claim Frequency & Severity Metrics	T N F SP

# Claims Per 100 Employees By Quarter	Total Incurred Cost Per Claim By Quarter
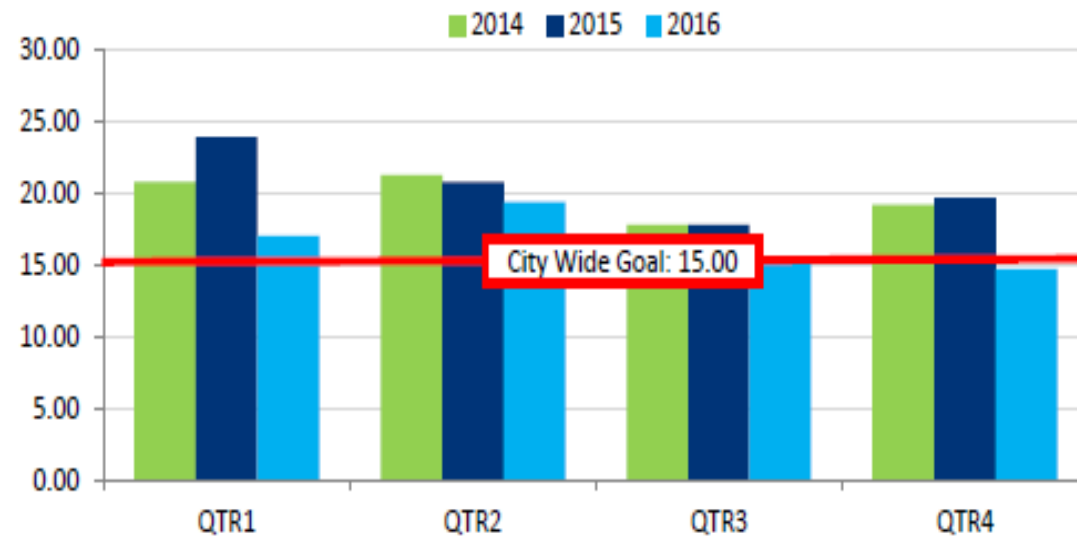
City Wide Goal: 15.00

Goal: $4783

Source: Finance Department, Budget Division

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Business Analysis Project- Measuring the Workers Comp. Program Condition / Effectiveness

Source: Finance Department, Budget Division

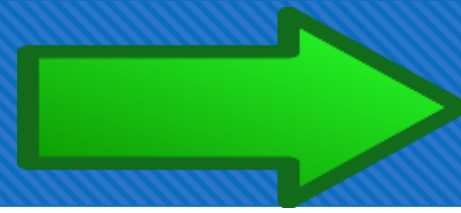# Data Driven Budget Decisions: Return on Investment (ROI) Tool

○ ROI tool creates a standard template for analyzing the financial, social, and service delivery impact

RETURN ON INVESTMENT - BUDGET DECISION TOOL			
CURRENT SCENARIO	Δ	PROJECTED SCENARIO	
A: Salaries & Benefits			
Accounts:			Accounts:
	YR 1	$ -	YR 1
Description	YR 2	$ -	YR 2	Description
	YR 3	$ -	YR 3

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Data Driven Budget Decisions: Return on Investment (ROI) Tool

TOTAL CURRENT SCENARIO		TOTAL Δ		TOTAL PROJECTED SCENARIO	
Lifetime Expenses	$ -	Δ YR 1 Expenses	$-	Lifetime Expenses	$ -
		Δ YR 1 Net Expenditures*	$-		
		Δ Lifetime Expenses: Investment	$-		
Lifetime Revenues	$ -	Δ Lifetime Revenue	$-	Lifetime Revenues	$ -
LIFETIME NET EXPENDITURES	$ -	TOTAL NET EFFECT*	$-	$ -	LIFETIME NET EXPENDITURES

*Total Net Effect indicates LIFETIME projected added expense above current scenario, (exp. - rev.). (Negative number) reflects overall decreased expense, or net savings compared to current scenario.

ROI	0	mod. IRR=	0	Payback YR=	0	months

EFFECT ON KEY PERFORMANCE INDICATORS

Identify the Key Performance Indicators associated with this proposal. Include current baseline metrics, and forecast how this proposed change could impact performance in the projected scenario.

CURRENT SCENARIO	PROJECTED SCENARIO

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What's Next for Budget:

- Citywide Business Plan Priorities
  - Fleet replacement
- Financial impact analysis of policy decisions
  - Wellness incentives
  - Paid family leave
 - Solid waste collection at public facilities

Office of Performance Management received technical assistance on rebranding and honing <Department>Stat from the GovEx team at Johns Hopkins University as part of the What Works Cities initiative, funded by Bloomberg Philanthropies

What Works Cities Close-out & Summit

"I hear you're a great mayor" - Former Mayor Michael Bloomberg to Mayor Sly James
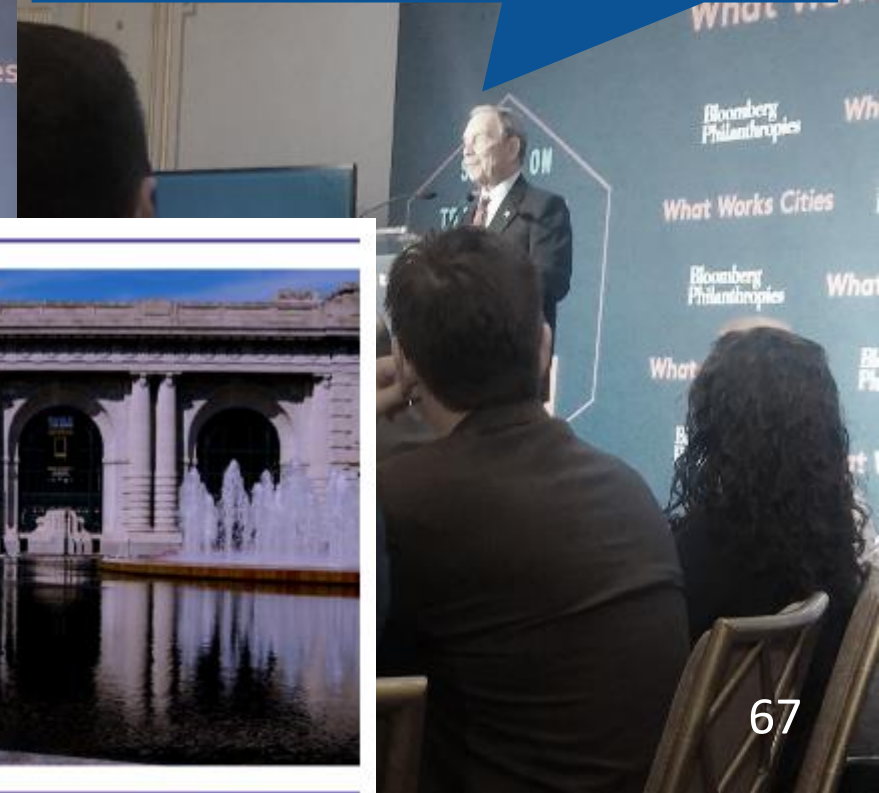
WHAT WORKS CITY FEATURE: KANSAS CITY, MO

Kansas City is experiencing a rebirth led by a strong partnership between Mayor Sly James and City Manager Troy Schulte. Utilizing existing assets and strategically pursuing areas for growth, they must balance a constant tension between financial limitations, state and federal legislative restraints and the will of the people. To create a world-class city that recognizes these challenges and confronts them, they have turned to robust systems utilizing data and evidence.

VIEW FULL STORY

Goal of <Department>Stat

DepartmentStat is the evolution of the Performance Management program that began under the City Manager in 2010 and focused on using department data to identify opportunities for improvement and implement solutions.

The mission is unchanged, but DepartmentStat has become more strategic and focused, by honing in on 4 to 5 goals developed by each participating department

Utilize data and metrics to:

- Identify problems or barriers
- Address "pain points"
- Meet operational and strategic goals
- Target resources
- Monitor improvement
- Improve processes

Departments Participating and General Scopes of Work

KCFD

Public Works

General Services

Parks and Recreation

City Planning & Development

Neighborhood & Housing Services

Identifying metrics

Gathering data

Analyzing data

Integrating data into decision-making

Telling stories with data

DepartmentStat Participants & Progress

Department	# of Bold Goals	# of Sessions YTD	Identifying Metrics	Gathering Data	Analyzing Data	Integrating Data into Decision-Making	Telling Stories with Data	Example of Bold Goal Progress
PWStat	5	2	X		X	X		Benchmarking of other cities' sidewalk programs
KCFDStat	4	2	X	X	X			Administration of employee survey
GSDStat	4	2		X		X	X	Facilitation of IT focus groups
CPDStat	4	2	X	X		X	X	Consultation on customer survey
ParkStat	4	2		X	X	X		Data analysis of perception of recreation programs
Neighborhood Stat	4	2	X			X	X	Review of housing policy options

Applying Process Improvement to KCMO

Project	Goal	Current Phase
Risk Management	Reduce exposure to claims and litigation	**Measure/ Analyze**
Fleet Non-Targeted Repairs	Reduce incidents of non-targeted repairs of vehicles	**Test**
Collections	Optimize collection process	**Complete**

In addition to undertaking process improvement projects, the Office of Performance Management is also developing a process improvement training to train employees on use of these tools. This training will be piloted with the Parks Department in early fall 2016.

Data Academy

- Series of trainings being developed by the **Office of Performance Management** in collaboration with **Code for America**
- **Target audience**: employees who work with data
- **Goal**: to broaden employees' knowledge about data and available tools, and also to build an informal community of data users
- **Topics under development**: user-centered form design, data analysis, data gathering, data storytelling,

Certificate of Excellence in Performance Management from ICMA

- KCMO has just been awarded its 5th consecutive Certificate of Excellence in Performance Management from the International City-County Management Association Center for Performance Analytics

- Certificates are awarded annually "to recognize local government performance management programs, encourage comparative analysis, and reward transparency."

- Criteria for certificates includes:

  - Data collection and verification

  - Training and support

  - Public reporting

  - Accountability and process improvement

 - Networking

  - Leadership

Objective 9

Explore partnerships to expand sharing of public resources across government jurisdictions, such as Core 4.

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Core4 Update

- Core4 Colloquium is scheduled for Wednesday, July 20. Staff from the four jurisdictions will meet and discuss how to build on past successes, and areas of opportunity for new collaboration.

- The City is working with the other 3 jurisdictions on a new Data and Performance group that is focused on identifying ways that data can support and identify needs for collaboration.

Fleet Partnerships

- Based on their leadership in the area of alternative fuels, KCMO's Fleet Division has assisted multiple jurisdictions/organizations in their transition to compressed natural gas (CNG) fleets
  - Example (in pictures): North Kansas City I School District is using the KCMO Tow Lot as temporary place to store vehicles during their transition period
  - Example: KCATA, KCK School District, and Lee's Summit School District have used KCMO's CNG filling station during their transition periods
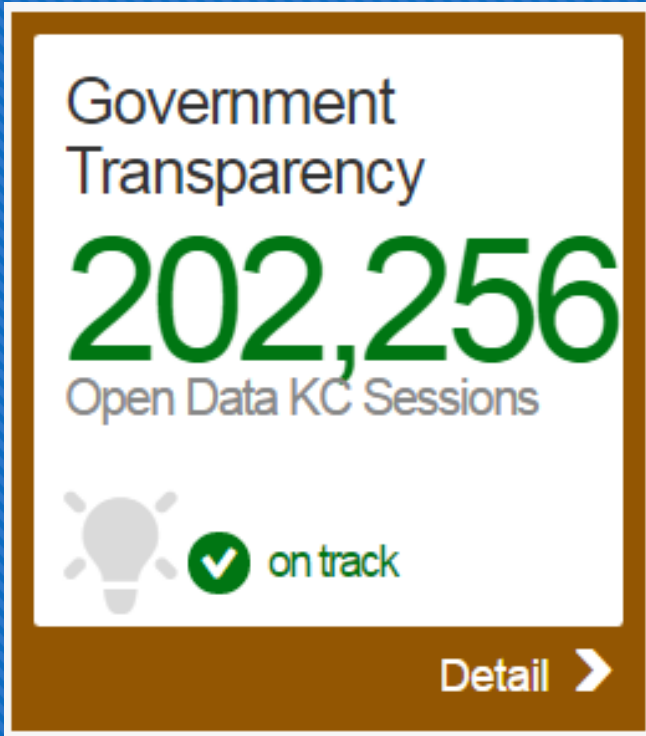
Government Transparency

Objective 4

Make information about the City's performance, operations, and financial condition more transparent, user-friendly, understandable, and accessible to elected officials and the public.

Measuring Open Data Engagement
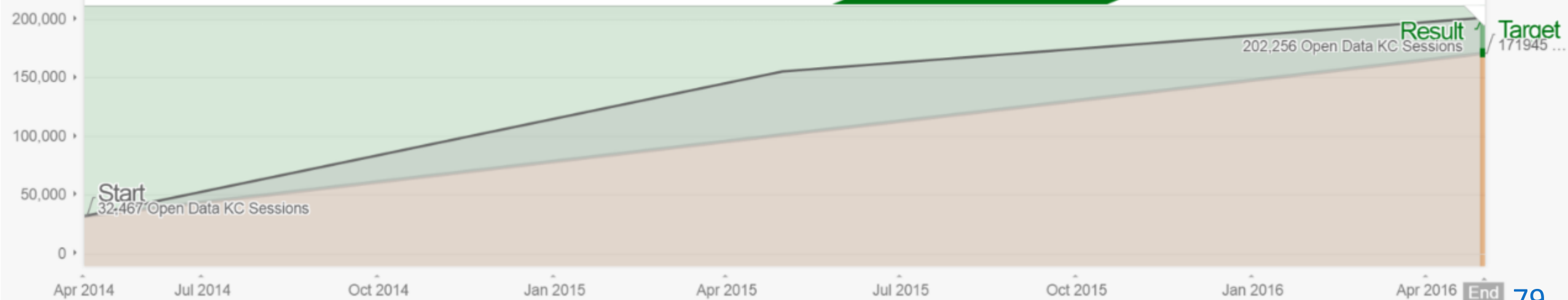

202,256 Open Data KC Sessions ▶ **171,945** Open Data KC Sessions

Final Result from Apr 2016 ⠀⠀⠀⠀⠀⠀⠀⠀⠀⠀ Apr 2016 Target

29% increase from last fiscal year

✓ Achieved Goal
Goal Period ended April 2016

▲ Hide chart

Result
202,256 Open Data KC Sessions

Target
171945 ...

Start
32,467 Open Data KC Sessions

200,000
150,000
100,000
50,000
0

Apr 2014 ⠀ Jul 2014 ⠀ Oct 2014 ⠀ Jan 2015 ⠀ Apr 2015 ⠀ Jul 2015 ⠀ Oct 2015 ⠀ Jan 2016 ⠀ Apr 2016 ⠀ End

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Source: Office of Performance Management (kcstat.kcmo.org)

Use of OpenData KC by Month

Future of OpenData KC

○ Automated – a must for program sustainability

○ Documented – Help people use our data

○ Engaged – Work with groups who are interested in specific datasets

○ Prioritized – Internally and externally

KC DIGITAL
ROADMAP

KCStat Schedule for 2016

Citywide Business Plan Goal Area	Exact Date/Time
Customer Svc/Communication	1/5/2016
Neighborhood Livability	2/2/2016
Infrastructure & Transportation	3/1/2016
Planning, Zoning, and Econ Devt.	4/5/2016
Public Safety	5/3/2016
Finance & Governance	7/5/2016
Neighborhood Livability	8/2/2016
Customer Svc/Communication	8/16/2016
Infrastructure & Transportation	9/6/2016
Planning, Zoning, and Econ Devt.	10/4/2016
Public Safety	11/1/2016
Finance & Governance	12/6/2016

Questions?

Stay up to date on progress at kcstat.kcmo.org

#KCStat

KCStat